Edward VIII: Salesman (Page 11)

THE FINANCIAL POST

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The Nation's Business

C. H. Carlisle Would "Share the Wealth"

But Would Do It Through Jobs

Hepburn Muddies Debt Waters Again

Propaganda for St. Lawrence Canal

"Share-the-Wealth Through Industry"

C. H. CARLISLE, president of the Dominion Bank and head of the Goodyear Tire enterprises in Canada, has joined the "Share the Wealth" movement. But unlike so many of our rabble-rousing politicians, he does not believe that wealth can be either created or shared by taxation. At the annual meeting of the Dominion Bank this week he summarized his view of the way to prosperity:

> "Industry is our way out. We must depend upon industry, upon the wealth which industry creates and the employment which industry provides, to bring about prosperity both for workers and employers. Business not only creates wealth and employment but it distributes wealth—the only sound and legitimate way in which wealth can be distributed."

Mr. Carlisle showed how wealth-creating industry can be stimulated. We must eliminate waste; we must stimulate our export trade by lowering costs in such a way that our standard of living is not lowered. One of the means of lowering costs is to reduce taxation that has to be paid out of production. The great problems which Mr. Carlisle feels should be solved in order to lower our national costs are

> "the staggering losses made annually by our national railways, the growing debts of our too many governments, our increasing taxes that are stifling our progress and retarding our national development."

* * *

What Does Hepburn Seek?

AT OTTAWA a Liberal government is doing its best to aid the provinces in the solution of their debt problems and in Ontario a Liberal premier is doing his best to wreck any plans put forward.

On the eve of the Dominion-provincial conference in December, Premier Hepburn issued through the press a statement calling for a forced conversion of Ontario's debts. The obvious purpose seemed to be to steal the front pages from Finance Minister Dunning's saner plan for debt conversion with Dominion cooperation.

Then Mr. Hepburn went south to convalesce from illness. During his absence a further meeting in Ottawa advanced the plans for a conversion of the debts of distressed provinces. The plans were apparently approved by Ontario's comptroller of finance, Chester Walters.

Mr. Hepburn returned to Toronto this week. His first public act was to announce that he might call a meeting of all provincial premiers to discuss debt conversion. Not a word was mentioned in newspaper reports of the interview to indicate that Mr. Hepburn was even aware of the conference at Ottawa two weeks ago on the same subject. But he was fully aware of it.

Mr. Hepburn is not stupid. There are only two possible explanations of his actions: he either wishes to keep the headlines to himself or he desires to bring down the whole structure of Canadian public finance.

* * *

Waterway Propaganda Steams Up Once More

NO MORE efficient propaganda machine exists than that which has been promoting the St. Lawrence Deep Waterway. After several years of work it was successful in getting a treaty for the construction of the waterway signed by the two countries. Counter propaganda achieved a temporary victory when the treaty came up before ratification in the United States Senate and failed to obtain the requisite number of votes. Mr. Bennett declined to bring the treaty before the Canadian Parliament until it had been first of all ratified at Washington.

Soon a new bill to approve the treaty is coming up in the United States Senate. The seaway propagandists are taking no chances. They are again steaming up their propaganda machine.

* * *

ON MARCH 11 and 12, the Great Lakes-St. Lawrence Tidewater Association will meet in Detroit. Carefully prepared speeches will be delivered and broadcast to the world telling of the enormous advantages of the Waterway to United States and Canadian commerce. The hand of the United States Senate is

(Continued on page 2, col. 3)

Unusual Costs Lower Profits Central Bank

Bank of Canada Statement Covers First Year

EFFECT OF $35 GOLD

Government Exchange Fund Still Obscure — Bank's Profits Represent Former Government Revenue

Earnings of the Bank of Canada of $764,228 from March 11, the date of opening, to Dec. 31, 1935, are not nearly as large as analysts of the bank's revenue sources have calculated.

The central bank's first annual statement carries no explanatory remarks. Profits, however, are shown "after making provision for contingencies and reserves."

It is known that issue of smaller-sized notes in 1935 was a costly business for chartered banks. Since the central bank had to issue an entire new series of notes this must have cut into earnings from the note issue.

Silver Holdings

The balance sheet reveals that the bank shows an addition of only $652,000 to its silver bullion in 1935. The bank has inherited the Dominion's treaty obligation to buy not more than 1,671,802 ounces of silver annually. Purchase of this amount would have involved an outlay of over $1 million at the average price in the period covered by the bank's statement.

It is improbable that the bank bought the full amount because it didn't operate for a full year. It did fall heir to over $986,000 of silver from the government, however, and the recent drop in price must have brought some losses on both the acquired and the purchased silver.

Since the bank opened, Dominion government deposits have dropped $14 millions to $4.2 millions. This is believed to be of no major significance, apparently reflecting the change in the government's temporary cash position.

Gold Valuations

Deposits of chartered banks at $181.6 millions at the end of 1935 were up nearly $30 millions from the figure at March 31. The rise is due chiefly to deposit by the commercial banks of profits on their former gold holdings.

There are as yet no deposits by provincial governments in the central bank. Neither are there any provincial securities shown among the assets.

Changes in Assets

The major change in assets of the bank in 1935 was an increase to $180.5 millions from $106.6 millions in gold holdings. This is almost entirely due to revaluation of the bullion at $35 an ounce instead of $20.67 an ounce. The odd feature is that the Canadian dollar has not been officially devalued, although the bank carries its gold at the current U. S. prices.

Investments consist entirely of Dominion Government securities. The total of $114.3 millions compares with $149.9 millions in March, 1935. The decrease is attributed chiefly to sale of some $40 millions of securities to the exchange fund of $63 millions set up by the Government from profits on revaluation of gold. The Bank of Canada statement throws no light on where the remaining $23 millions of gold profits are held by the Government.

The bank's holdings of sterling and gold standard currencies are small, consisting chiefly of balances necessary for ordinary government business. The chief foreign exchange holding is $4 millions in U. S. funds, which, too, is believed to represent chiefly current balances required by the Government.

Rest Fund Created

One new item in the balance sheet is the rest fund of $173,092, created from profits in 1935. This represents one-third of surplus earnings after deduction of all expenses, reserves and dividends for the year. The remaining two-thirds goes into the Government's ordinary revenue.

An amusing incident occurred in the past week in connection with release of the bank's earnings. A Toronto newspaper suggested erroneously that the substantial earnings would justify an increase in dividend; apparently it had forgotten that the 4½ per cent rate is limited by statute.

Earnings From Notes

Another phase of the Bank of Canada's earnings that appears to have been widely misunderstood is that the earnings from note issues formerly went directly to the Government through the Department of Finance. The central bank now gets all the profit from note issues formerly received by the Government. So the bank's earnings do not represent absorption of commercial banks' profits.

The bank's profit and loss for 1935 appears on page 17.

Mercury Mills Net Is Higher in 1935

Mercury Mills is believed to have earned its bond interest after depreciation in 1935. This company had a good earning position before 1930 but had net losses before depreciation in 1930, 1931 and 1932. It more than covered depreciation of $91,500 in 1933 and one-third of it in 1934.

Rayon Plant Reopening After Japan Raises Price Unlikely to Halt Probe

Sudden Closing of Textile Plants to be Investigated by Royal Commissioner Turgeon — Manufacturers Blame Tariff Cut

DOMINION TEXTILE WORKERS RETURN TO JOBS

From Our Own Correspondent

OTTAWA.—With startling suddenness events have reached a critical stage between the Dominion government and one of the major industries of the country.

Rayon textile plants at Sherbrooke and Milltown, Quebec, closed down last week. Other textile plants either abandoned or diminished production of rayon.

Jobs of one thousand people were jeopardized.

The government has appointed Mr. Justice W. F. A. Turgeon, member of the Saskatchewan Court of Appeal, as a Royal Commission to investigate and determine the cause of this action, but on the heels of the announcement of Mr. Turgeon's appointment comes a further development of possible significance.

The Dominion Textile plant at Sherbrooke has reopened, because, it is claimed, there is some improvement in the highly competitive situation in the industry because importers of Japanese goods have stopped quoting very low prices.

There is some confusion regarding the actual bone of contention though in any case it concerns tariff protection. Canadian textile manufacturers object to the sharp reduction in the valuation for duty purposes of rayon and cotton goods imported from Japan. On the other hand government authorities see in the recent closure of the textile plants a general objection to lower tariffs following the United States trade agreement and also the more recent settlement of the Japanese-Canadian trade dispute.

Competition Impossible

The industry, after fruitless appeals to the government to restore protection it regarded as essential to continued operation, ceased production of lines in which competition, particularly with Japan, is said to be impossible.

The government, obviously, believes the industry may have grossly exaggerated the situation and if so might properly be exposed to the full rigor of public opinion.

Already, according to Montreal reports, some investigation by Department of Labor investigators is under way regarding the closing of the plants.

Many Protests

For several weeks, The Post has recorded the fact that manufacturers, in increasing numbers, are keenly alarmed at the tariff cuts ordered by the King government in its first two months in office. Nothing so dramatic or so pregnant with future possibilities, however, was foreseen.

The textile manufacturers who have acted in self defence (and there is no reason as yet to doubt their sincerity) in rayon, report that ruinous competition is quite likely to spread into cottons. If this is so, and the government does not abate its determination to back its tariff policy, industrial shut downs will certainly spread with unforeseeable consequences to employment and in the political sphere.

Plant Reopens

Manufacturers claim that they had no thought of political pressure when the decision to close down the plants was made.

"We can't put on full steam yet," said G. Blair Gordon, managing

(Continued on page 2, col. 1)

Loblaw Planning To Extend Chain

Loblaw Groceterias Co. is planning a further expansion programme beginning in the spring, says Canadian Grocer.

This will not only take the form of modernization of present stores, but also the opening of new units in the chain as well.

There are now 111 stores operated, 40 of which are of the market type, including fresh meats, fruits and vegetables, as well as groceries. This number will be gradually extended during 1936.

This will mean the outlay of considerable money for new equipment such as cash registers, scales, meat slicers, display counters and mechanical refrigeration.

According to an official of the company, money is being made in the meats and in the fruit and vegetable departments, and benefits of the addition to the plant for warehousing these products are now being realized.

Gains Continue In Week's Index Of Trade Trend

Continuation of the high trend in both automobile production and sales and in electric power production is seen in the week's Canadian business figures. All indices showed substantial improvement over the same period last year with the exception of carloadings and hog marketings.

Monthly:	Dec.	— Change — From prev. period %	From prev. year %
Elec. pwr. output	*2,156,525	+0.6	+5
Cream. butter prod., lb.	10,326,672	—23	+14
Auto. prod. pass., No.	11,370	—5	+482
Trucks & buses, No.	2,405	+65	+208
Auto. exports	13,775	+10	+411
Auto. sales	6,072	+1.4	+180
Weekly:			
Car loadings, No.	40,082	—0.3	—1
Cattle sales, No.	16,246	—16	+24
Hog sales, No.	17,877	—28	—4

*000's omitted.

Motor Sales $100 Millions For Past Year

December Total Swells 1935 Sales Figures to New High

FORD BEST SELLER

Aided by spectacular sales recovery in almost every month of the year and the added stimulus of a special early showing of 1936 models, Canadian motor car manufacturers pushed sales volume across the $100 millions mark in 1935, according to preliminary estimates made by The Financial Post. This compares with a corresponding figure a year ago of $73 millions.

Both production and sales figures for December reflect continued success of the early showing of 1936 models which took place in November in most parts of Canada. Actual production for sale in Canada was 43 per cent higher, while detailed figures of actual registrations of new cars in eastern Canada reveal a 32 per cent increase during the month.

Ontario Buys in December

A feature of the new car registrations is that the gain is almost entirely confined to Ontario. Quebec, according to available figures compiled by Might Directories registered only 26 new cars in the month compared with 100 the same month last year. Registrations in this province are notably slow which may explain this to some extent.

Ontario registrations in December totalled 3,110 compared with 442 in the same month last year. A substantial gain was shown in Nova Scotia for the month but other mari-

(Continued on page 2 col. 5)

$100 Duty Exemption

Canadian Regulations Will Restrict Goods to Personal or Household Articles—Once a Month

From Our Own Correspondent

OTTAWA.—Tariff experts and the law officers of the Crown are cooperating in drafting the amendment to the Customs Tariff Act which will permit Canadians visiting the United States to bring back $100 of personal or household goods duty free.

In general, the amendment will follow the corresponding provisions in the U. S. tariff law.

The broad lines may be indicated as follows:

It will be necessary for the traveller to stay two to three days in the United States before being entitled to exemption. Precautions will be taken against abuse of the privilege by border residents.

The privilege is unlikely to be available to a traveller more often than once a month.

Souvenirs and Curios

The kind of goods to be covered by the exemption will be restricted to personal or household goods, souvenirs or curios.

Proof will be required—probably by way of affidavit—that these are not being brought home on commission and for re-sale.

The exemption will be exhausted on each trip. It will not be possible, for example, to bring back only $50 in goods on one trip and save the balance to be added to the $100 exemption on the next trip.

Purchases must be of a kind purely incidental to the trip; not the main purpose of it.

$100 For Each of Family

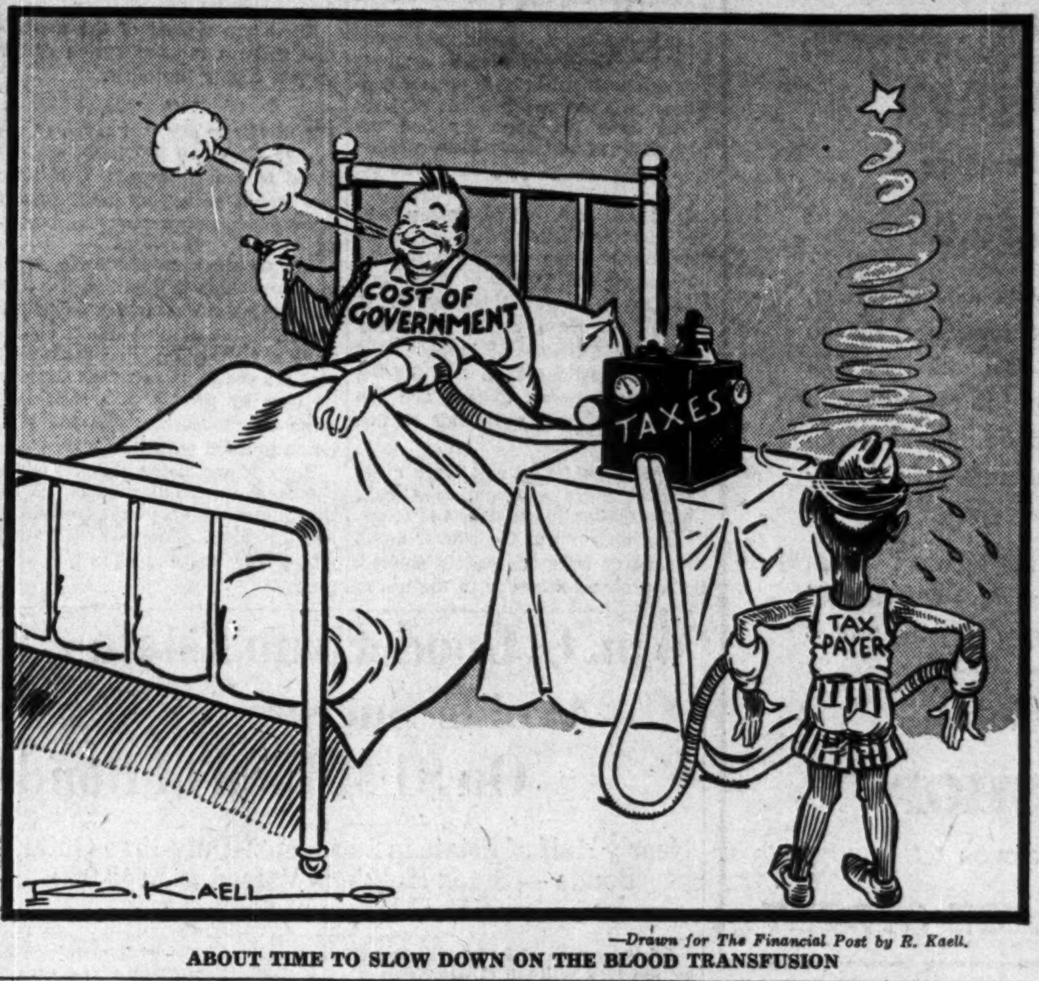
Each member of a family, including a baby born in the U. S. during a trip, is entitled to $100. These exemptions can be pooled so far as a man and his wife and dependent children are concerned; not otherwise.

Within the exemption there will probably be restrictions on the quantity of certain commodities which may be included. That is, there will probably be a limit of 300 cigarettes, 50 cigars, a quart of alcoholic beverages and, say, five lb. of tea.

Foodstuffs will be considered household effects; also tableware or crockery.

Cost of repairs made to articles taken by the traveller may properly be included in the exemption.

It will not be necessary for a person to bring back all the articles for which he desires exemption, with him. He may bring some with him and clear the balance, under the exemption, later on when his baggage arrives at his local customs port.



—Drawn for The Financial Post by R. Kaell.

ABOUT TIME TO SLOW DOWN ON THE BLOOD TRANSFUSION

Fanny Farmer 1935 Earnings $1.25 a Share

Company Has Best Year in History—Sales Up 15 Per Cent

MAY NET $500,000

Despite increased operating costs, taxes and depreciation, Fanny Farmer Candy Shops Inc. earned the highest profits in its history in 1935.

With sales up 15 per cent, profits for 1935 will be equivalent to about $1.25 a share, The Financial Post estimates. This compares with earnings of $1.06 a share in 1934.

Earnings About $500,000

Earnings, it is estimated, will amount to about $500,000 after allowing for increased taxes and additional provision for depreciation. In 1934, net profit amounted to $412,379. Profits, before taxes, should total $625,000.

For the first ten months of 1935, earnings before taxes amounted to $325,616. The company, however, makes at least 40 per cent of its profits in November and December because of the large volume of sales in these two months. In 1935, $1.2 million, or 26 per cent of the company's business, was done in these two months.

Gains in Sales

Total sales in 1935 amounted to $4,818,396 as compared with $4,184,555 in 1934, an increase of $633,841. Sales in the first ten months of the year showed a greater proportionate increase than in November and December. In the last two months of 1935 sales were 9.9 per cent higher than in the same period of 1934. This compares with an increase of 17 per cent in the first 10 months.

Earnings before taxes and depreciation are expected to total $725,000. If an increase of about $25,000 each is provided for in taxes and in depreciation, profits are reduced to $500,000. In 1934, $76,129 was set aside for depreciation and $100,000 for taxes.

Highlights

A Salesman King

H. M. King Edward VIII's first-hand knowledge of world trade and finance may mean much to the Empire and Canada. What will be the result of his long business training? Page 11

Judging Common Stocks

Statistics alone are not sufficient to appraise values and prospects for securities. Other considerations involved are on Page 20

Low-cost Housing

A Canadian authority Dr. Milton Hersey sees a possible solution to Canada's unemployment problem and need of low-rent dwellings. Page 8

The Gold Harvest

Ontario's production of gold sets a new peak in the value of metal recovered during 1935. Page 19

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Unfair, Untrue States Carlisle Of Bond Claim

No Boycott of Ontario Loan — Low Interest Rates

NO BID MADE

As applied to The Dominion Bank, the allegation that financial institutions had boycotted the Ontario loan of last summer "was most unfair and untrue," President C. H. Carlisle told shareholders of the bank at the annual meeting this week. He pointed out that the bank bought $500,000 of the subsequent larger loan.

Ontario invited tenders June 12, 1935, for a loan of $15 millions divided into $5 millions each at: 2¼ per cent for five years; 2½ per cent for 10 years; three per cent for 15 years. "We understand," Mr. Carlisle stated, "there were no bids for this loan."

Explains Occurrence

He explained to the shareholders: "Immediately, through the press and otherwise, it was stated that the banks and other financial institutions had boycotted the loan on account of the government having passed legislation cancelling certain power contracts. It is your right, as shareholders of the bank, to know the bank's action in this matter.

"Your board did not refuse to share in this loan on account of the government's cancelling power contracts nor on account of the government's credit position, but on account of the rates offered being out of line with current high grade securities. June 15, the government offered a substitute loan of $20 millions in terms of two and five years at rates of 2¾ to 3 per cent. Of this loan your bank purchased $500,000, which was in keeping with the money we had for investment at that time.

Reveals Holdings

"June 12, the time the first loan was offered, your bank held government bonds and treasury bills with a par value as follows:

Ontario	$10,472,000
Dominion	14,067,000
All other provinces	1,673,000
Securities held in all power cos.	170,000

"From the facts submitted," Mr. Carlisle asserted, "the criticism as applied to your bank was most unfair and untrue. It is likely you will concur in the board's action in this transaction."

Heavy Subscribers

The Financial Post's information has been that large financial institutions and sinking funds were the major purchasers of Ontario's loan of $20 millions. Mr. Carlisle's statements appear to confirm this understanding. Purchase of $500,000 of the loan by The Dominion Bank would indicate that banks, insurance companies and trust companies were heavy subscribers.

Radio Commission Over-haul Is Expected Soon at Ottawa

From Our Own Correspondent

OTTAWA.—It is learned, authoritatively, that the government definitely has decided to reorganize the Radio Commission along the lines recommended in the Aird report.

The present commission of three members will be abolished. This commission has been in direct control of broadcasting.

A new commission composed of seven members will be appointed. This commission will supervise actual operation of the radio network which will be the responsibility of a manager. The commissioners will receive no salaries but their expenses will be paid to attend meetings at Ottawa from time to time.

Legislation along these lines has been prepared and will be introduced in Parliament early in the session.

The personnel of the proposed commission is not known and it is understood the government as yet has given little consideration to it. The commissioners, in the main, will be chosen to represent geographic areas. There will be one from the Maritimes, one from Quebec, one from Manitoba and Saskatchewan, and one from the two westerly provinces.

For the position of general manager the name of Gladstone Murray, high official of the British Broadcasting Company, is being mentioned. Mr. Murray is a Canadian, hailing from British Columbia.

Renew Hunt For Windsor Peace Pact

Defaulter's Agents Reopen Talks With Bond Men

BREAK DEADLOCK

Ontario Government Avoids Ruling on Unpopular Debt Settlement Scheme

Negotiations over the Windsor debt settlement scheme are proceeding something like a League of Nations peace conference.

A compromise may yet be reached on the debt settlement scheme for the defaulting city.

The way has been reopened for negotiations between bondholders' representatives and the Windsor Finance Commission appointed by the Ontario government.

Originally the Windsor commission was insistent in urging acceptance by bondholders of its proposal to write $13.4 millions off the city's total debt of $40.2 millions. Bondholders' representatives declined to accept the proposal.

Commission Unbends

The deadlock has been broken. The finance commission has signified that it is prepared to discuss the refinancing further. Consequently, a group of three members of the bondholders' committee has been named to negotiate with the Windsor authorities. New conversations have commenced.

It is believed by creditors that the government did not want to be placed in the position of ruling on a scheme so obviously unpopular with bondholders and with the press.

The conclusion, then, is that the government - appointed commission was informed to go further into the matter with bondholders.

Government Position

Whatever settlement may be ultimately agreed upon, it is probable that the Ontario legislature will have to pass special statutes to put it into effect. The reason is that present laws require consent of two-thirds of creditors to adopt a scheme binding upon all. This may not be obtained readily, no matter what scheme is devised.

Hence, government approval by legislation will probably be necessary. Consequently, unless approval of the bondholders' committee and of other creditors were obtained, the government would be facing the alternative, either of imposing a debt settlement contrary to the wishes of creditors, or of shelving the whole matter.

Bonds on Deposit

A large part of the Windsor debt of $40.2 millions consists of accruals of unpaid interest and of bank loans. Consequently, it is impossible for the bondholders' committee to obtain deposit of a major portion of the debt. It is understood, however, that bank creditors will support the bondholders' committee in negotiations.

Also, some municipalities that hold Windsor debentures in their sinking funds have given letters to the bondholders' committee offering support.

Bonds actually deposited total about $11 millions, without counting accrued interest, which would bring the total to about $12 millions. This is considered sufficient, under present legislation, to block any coercive debt plan.

Deposits of bonds are still being sought actively. If a scheme of compromise is found impossible, public solicitations of deposits would probably be sought by the bondholders' committee.

Change In Personnel

A new development in the Windsor situation is that C. W. McDiarmid, president and general manager of the Guaranty Trust Co. of Canada, no longer holds that position.

The Guaranty Trust has acted as Windsor's fiscal agent in connection with the debt scheme. It is also trustee for bonds of Windsor, Essex & Lake Shore Railway which are secured by Windsor debentures which it has been proposed to write down.

There has been no change in the appointment of the Guaranty Trust as fiscal agent for Windsor. In view of the changes in officials, however, there is doubt among bondholders as to who is the negotiator for the city in the refinancing scheme. Mr. McDiarmid had been acting for the city.

E. Blake Winter President Of Guaranty Trust Co.

E. Blake Winter, one of the first directors and vice-president since the firm's inception, has been appointed president of the Guaranty Trust Co. of Canada, Windsor, succeeding C. W. McDiarmid. Mr. Winter has lived in Windsor for many years and was mayor of that city for two years. For a long time he has devoted all his time to the trust company.

Mr. McDiarmid's position as general manager has been taken over by J. W. Berry, who is also secretary-treasurer of the company. Vice-presidents are now T. Walker Woodside; W. D. Roach; and E. M. Proctor.

Three directors, W. J. Hume, F. H. Joyce and C. W. Isaacs have retired and two new directors, B. T. Riordan, Toronto and J. M. Hays, Montreal, have been appointed.

While Mr. McDiarmid has retired from executive positions with the Guaranty Trust, it is understood that he remains as a shareholder.

MEN'S SHOP EATON'S COLLEGE STREET

THE
MEN'S SHOP
presents the
"Huntingdon"
a tailored-to-measure
SUIT at $50.00

For business executives and men of affairs, the new $50.00 suit now presented by the Men's Shop offers the distinction of fine imported woolens, tailored to measure with painstaking attention to detail and knowledge of style that enhances the individuality of the wearer.

You are invited to see the excellent choice of suitings in new and exclusive weaves and shades in which this new $50.00 suit is available.

FREE PARKING WHILE SHOPPING

MEN'S SHOP
BAY STREET SECTION
EATON'S - COLLEGE STREET

RAYON PLANTS REOPENING AFTER JAPAN RAISES PRICES

(Continued from page 1)

director of Dominion Textiles, following the re-opening of the Sherbrooke plant, "but we do want to put some money in our employees' pockets. The men were notified last Friday that the plant would re-open on January 29, and there is no secret about the fact.

"Of course the reopening of the plant will have no bearing on the Royal Commission recently appointed to probe the textile industry. The government has every right to investigate the reasons for the closing of our plant if they think we exceeded our powers."

Case for Rayon

In the case of rayon, the tariff position has been as follows:

Ordinary tariff against imports from Japan (or U. S.) 36 per cent plus 40 cents per lb. Previously the ad valorem applied on the basis of the yen being worth 41.5 cents in Canadian money. Likewise, importers had to settle for their goods on this basis. In addition, there was the valuation of $1.25 per lb., on imports of rayon—meaning that Japan could not ship into this country at a lower figure.

What happened, as a result of the trade agreement and the Japanese settlement, was: The value of the yen was dropped forthwith to 39.5 cents and it will come down further to about 34 cents in 1937. The valuation was withdrawn entirely.

Yen Value

This left the straight tariff, ad valorem to apply on a yen value of 39.5 cents. Settlement, also, had to be on this basis.

While it might appear that the ordinary tariff plus a write up in the value of the yen from its current level of 29 cents to 39.5 cents, constitutes rather ample protection against Japan, the textile manufacturers hold an entirely dissimilar view.

Canadian Costs

Representatives of the Primary Textile Institute and of Courtaulds (Canada) came to Ottawa last week to interview members of the ministry (not the whole cabinet) and reviewed the situation in detail. It was pointed out that reasonable and efficient production costs of rayon in Canada are from 17 to 18 cents per yard. The delegation made it plain that Canadian industry could not possibly meet present Japanese quotations for future delivery unless the government came to their rescue by increasing protection. They had no alternative, they claimed, but to close down their plants.

The first big Japanese shipment at prices reported to be well under Canadian costs of production is expected about the middle of February.

Opinion Clashes

Apparently individuals came away from the conference between government authorities and textile manufacturers with different opinions as a result of that meeting. Certain representatives of the manufacturers understood that no move would be made without an investigation. In some quarters it is reported that the government believed that the manufacturers were bluffing in regard to cost claims and what result would follow lower protection against Japan. It is also considered possible, the government considered the advantages gained under the new policy for primary producers outweighed the disadvantages to the textile industry.

Results

The delegation, in due course reported to the industry and the shut-downs followed. The Dominion Textile Co. closed its rayon plant at Sherbrooke, Que., and has since reopened it, Canadian Cottons Ltd. closed its rayon factory at Milltown, N.B. Other producers have either ceased or severely reduced production in their various plants. By and large, 1,000 people have been added to the breadlines.

The counter-move of the government, in appointing a Royal Commission is taken as the strongest possible evidence that the views of the delegation did not carry conviction. The only thing that could justify a commission is a belief that the industry is guilty of using the suffering of labor as a club to bludgeon the state.

BRIDGING THE GAP
The Royal Bank serves Canadians abroad, rendering efficient aid to export business, and offering friendly services to travelers in foreign lands.

THE
ROYAL BANK
OF CANADA

The Nation's Business

(Continued from page 1)

to be forced by newspaper headlines. Then, no doubt, there will be a meeting in Canada to bludgeon the Canadian Parliament into approving the waterway.

In this situation we have one of the most notable reasons why the waterway project ought to be given another thorough re-examination before Canada finally commits itself to it. The progress of the negotiations has been constantly greased with propaganda. Critical analysis of the project has been largely confined to a few independent students who have not generally had the funds to spread their ideas widely.

* * *

SERIOUS doubts about many technical and financial phases of the waterway have been aroused by recent studies, typical of which is a volume just published by C. P. Wright, a Nova Scotia university lecturer.

It is questionable if the division of costs between Canada and the United States is quite fair to this country.

The estimates of cost were made several years ago and may bear little relation to conditions of today.

The question of the proper depth has never been adequately studied.

A problem arises as to the use of the power to be developed. If Ontario Hydro must cancel contracts in order to avoid a power surplus, how does it propose to absorb the energy from the St. Lawrence?

A serious condition has arisen in the finances of both Canada and Ontario, the Canadian sponsors of the project, that makes the postponement of further major expenditures essential.

These are typical of the matters that make a re-examination of the project highly desirable.

* * *

IT IS fair to say that seven of the nine Canadian provinces are opposed to the waterway. The other two would be largely indifferent if it were not for the unceasing propaganda of its promoters.

Let us start afresh; have independent engineers, economist and transportation authorities study the project in the light of today's conditions. If we then find that the waterway is a useful project, that will pay its own by producing a social income commensurate with the cost, let us proceed with it.

Many of our major national white elephants were unloaded on us by self-interested or publicity-seeking propagandists. The nation cannot afford any more such white elephants.

Wm. G. Gooderham Estate Avoids Succession Tax On $1 Million of Bonds

Nearly Half of Estate in Succession-Duty-Free Ontario Bonds — Stock Holdings Valued at $749,909 and Real Estate at $498,413

Of the estate of $2.6 millions left by the late William G. Gooderham, former president of the Bank of Toronto, Canada Permanent Mortgage Corp., and Manufacturers Life Insurance Co., only $1.6 millions is liable to succession duty assessment by the Ontario government.

With the estate in possession of over 18 per cent of all Ontario succession duty free bonds outstanding, inheritance tax on an amount in excess of $1 million will be avoided. Valuation placed on the duty free bonds held by the estate is $1,006,563. This figure represents the market value plus accrued interest, the face value of the bonds being only $832,900.

The market price of the bonds is given as 119. The bonds bear only four per cent interest and fall due in 1939 and 1941 respectively. At this price, the yield is below one per cent.

Mr. Gooderham's holdings of duty free Ontario bonds are given below:

Ontario Issues Held
(Succession Duty Free)

Date due	Face value	Market value
June, 1939	$271,900	$ 327,970
May, 1941	167,000	202,005
Nov., 1941	394,000	476,588
	$832,900	$1,006,563

There are five issues of succession duty free Ontario bonds. For the most part these are closely held. The issues are as follows:

Succession Duty Free Ontario Bonds

Due	Amount
June, 1939	$ 665,950
May, 1941	224,000
Nov., 1941	1,188,400
May, 1947	1,547,175
Jan., 1965	834,412
	4,459,937

Had No Insurance

Although he was president of the Manufacturers Life Insurance Co., Mr. Gooderham had no life insurance at the time of his death, which took place in his 84th year. He was, nevertheless a great believer in life insurance. As a man of considerable wealth, insurance was to him an investment and not a matter of protection. For this reason he took out early in life a number of endowment policies. When these matured he took out no additional insurance because of his age. In addition to these endowments he took out a number of policies on the lives of his sons.

Conservative Investor

Throughout the list of securities held by Mr. Gooderham, conservatism is the keynote. He gave first place to gilt-edged bonds as is indicated by the fact that $1.2 millions, or nearly half of his estate, is in this type of security.

Corporation bond holdings are confined to McColl Frontenac and British American Oil companies. In addition, however, there is $70,808 in Canada Permanent Mortgage debentures. The list of bonds, other than Ontario issues, follows:

Bond Holdings

Issue:	Principal $	Market value $
New Bruns., 4%, 1948..	25,000	24,750
Dom. of Can., 3%, 1955..	20,000	19,850
Dom. of Can., 4½%, 1956	10,000	10,625
Montreal Metropolitan Comm., 5%, 1942	15,000	15,300
McColl-Front., 6%, 1949.	25,000	25,800
B. A. Oil, 4%, 1945	8,000	8,040
York Club, 5%, 1950	5,000	2,830
Can. Perm. Mtge., debs.	.....	70,808
		174,902

In addition to bonds, there are stocks valued at $749,909 and real estate of $498,413. Mortgages held are valued at $95,513 and book debts at $31,445. Cash amounted to $26,460. Furniture, interest in York Mills Farm Syndicate and farm equipment at the Manor Farm, Clarkson, are valued at $62,876. Interest in the estate of George Gooderham is shown at $47,799.

Stock holdings of the estate are given below:

Issue:	Shares No.	Value $
Bank of Toronto	1,505	301,000
British American Oil	6,200	96,425
Can. Perm. Mtge.	976	122,976
Can. Perm. Trust	20	2,000
Consumers' Gas	150	28,200
Dom. of Can. Gen. Ins. Co.	722	52,950
Excelsior Life	85	5,865
Manufacturers Life	200	50,800
Ontario Jockey Club	300	27,000
Toronto General Trusts ...	120	9,840
Kreuger-Toll	2,800	nil
Power Corp., pref.	250	24,000
Do., comm.	525	4,528
St. Lawrence Corp., com...	1,000	1,200
St. Lawr. Paper Mills, com.	750	8,625
Foreign Power Secs., pref.	350	1,750
Dom. & Anglo Invest., pref.	150	10,750
Do., comm.	100	
Murray-Kay, Ltd., pref. ..	25	nil
Empire Publications Ltd...	500	nil
Bake-Rite Ltd. (invest.) ..	....	nil

Most of the stock holdings are in companies with which members of the Gooderham family are prominently associated. In fact, over $470,000 of the stock holdings are in shares of Bank of Toronto, Canada Permanent Mortgage Corp., and Manufacturers Life Insurance Co. Other companies in which the Gooderham family are interested and in which he had a large investment are British American Oil Co., Dominion General Insurance Co. and Excelsior Life Insurance Co. Members of the Gooderham family are directors of each of these concerns.

While the Gooderham family has been closely identified with banking and life insurance, it was in the distillery business that the family fortune was founded. It is noteworthy, however, that the late W. G. Gooderham had no holdings in Hiram Walker-Gooderham & Worts Ltd., which acquired Gooderham & Worts Ltd. in 1927.

Investment Policy

It is difficult to arrive at any definite conclusion as to the investment policy followed by Mr. Gooderham. The large holdings of Ontario succession duty free bonds would indicate that the estate had been put in order for succession purposes. It is not considered likely that he always held such a large portion of Ontario government bonds. It is probable that holdings of other securities were liquidated in order to purchase them.

It would appear that he made few bad investments. At least, there are few depreciated securities listed in his estate. He was, however, one of the victims of the collapse of Ivar Kreuger's Swedish match empire. A holding of 2,800 shares of Kreuger-Toll is shown as having no value. Among investments that have fallen on evil days are St. Lawrence Corp. common, St. Lawrence Paper Mills preferred and Foreign Power Securities preferred.

Included in the estate are $5,000 of York Club bonds, 125 shares of Toronto Cricket Club, 125 shares of Cricket Development Ltd. and 500 shares of Toronto Athletic Club. Of these, only the York Club bonds are shown as having any value. None of them can be considered as having been bought for investment.

Real Estate Investments

Apparently real estate and mortgages were looked upon by Mr. Gooderham as sound investments. His combined holdings of these amounted to over half a million dollars. Real estate consists largely of residential property. Included in this are the homes occupied by various members of his family. Under the terms of the will these are bequeathed to them. It also includes the family residence at 42 Elm St., Toronto, the summer residence at Centre Island and Manor Farm at Clarkson. A real estate investment not included under this heading is an 86 per cent interest in York Mills Farm Syndicate, valued at $48,373.

For the most part the estate is liquid and revenue producing.

Obituary

M. W. Bacon, M.E., well-known mining engineer, who was prominently associated with early development in the western U. S. and British Columbia.

Thomas Richard Billett, prominent broker, and former president of the Winnipeg Stock Exchange, at his home in Winnipeg. He was 73.

J. Raymond Burpee, head of the firm of D. C. Burpee & Son, construction contractors, at his home in South Devon, N.B.

Henry A. Fromings, manager of the Montreal branch of the Hartford Fire Insurance Co., in Montreal. He was in his 68th year.

George D. MacKinnon, for many years one of Sherbrooke's leading industrialists. He organized the firm of MacKinnon and Holmes, steel fabricators. Since disposing of his interests in the steel plant about eight years ago, he had devoted much of his time to the Lewis Air Conditioner and also the Rutherford Lumber Co.

John Nelson, superintendent of public relations of the Sun Life Assurance Co. and past president of Rotary International, suddenly in Chicago at the age of 62.

Noah A. Timmins, president of Hollinger Gold Mines and one of the best-known mining men of Canada, in Florida.

SASKATCHEWAN MAY REGULATE GASOLINE SALE

Changes in Mining and Trapping Rules Expected in Legislature

From Our Own Correspondent

REGINA.—Prospects for the session of Saskatchewan's legislation, opening Feb. 6 are for a short and very ordinary session.

The cabinet has not yet agreed upon the programme of legislation to go before the house but indications are there will be something on gasoline, gas franchises, coal mining, gasoline rebates, mining and game protection.

Saskatchewan will more than likely follow the legislation now in effect in Nova Scotia which rationalizes the gasoline distribution services in the province and reduces the number of filling stations with resultant savings to the consumer.

How far the Saskatchewan measure will go is not definite but it is not likely to exceed the Nova Scotia regulation.

Gas Franchises

Gas franchises are due for discussion in view of the fact that the gas situation will assume proportions of importance within the next few months. The legislation, it is intimated, will have the effect of protecting cities and towns and may possibly regulate practices of benefit to the newly developed industry as a whole.

Mining laws may be amended as the result of events that have cropped up as the result of intensive development in the Lake Athabaska region but these amendments are in process of formation and cannot yet be explained.

Ask Open Season

Game laws will receive attention as the result of depleted trappings in the northland. Trappers have asked that they be granted an open season in the spring to trap beaver but it is not thought the request will be granted in view of protection being given beavers in southern dried-out areas where they are active in damming small streams, thus assisting in water conservation.

Gasoline Rebate

It is hinted there will be some form of gasoline rebate for farmers, on a different plan than at present. The present plan allows rebates to be returned to farmers when gasoline or fuel oil is purchased for farm purposes. The new plan, it is understood, will do away with repayments and will allow immediate deduction when the sale is made.

Other legislation, dealing with federal acts now under scrutiny of the supreme court may require attention when the court's judgments are delivered.

Brazilian Rises To Price of $12 But Net Is Same

International Agreements Give Market Hope Over Foreign Exchange

COFFEE PRICE UP

Brazilian Traction Light & Power Co. common stock has gone above 12 compared with a 1935 low several months ago of seven.

Hope for cash dividends has been somewhat revived by the approaching completion of agreements with Great Britain and the United States for taking care of amounts due on commercial business.

The making of a tariff arrangement between Canada also stimulates hope that more funds may be made available at an earlier date than previously expected for exchange purposes.

The hope may be premature but the market also takes cognizance of improving prices for coffee and a resumption of the policy of burning inferior grades of coffee in order to bring world surplus down toward reasonable levels. The one single influence capable of restoring entire freedom of Brazilian exchange, it is recognized, would be a recovery in coffee prices to something like prices of four or five years ago. When exchange is free, Brazilian may be able to resume cash dividends again on some basis.

Improving Exchange Position

Those who have studied the matter most carefully think the commercial agreements do warrant a certain lessening of pessimism with regard to Brazilian investments. They point out, however, that there has not been any difference in earnings of the company. Its monthly reports for 1935 show gross lower than in 1934 and net earnings are only slightly up as a result of various economies.

The various new rate agreements, which have to be arranged by subsidiaries as a result of the Vargas gold decree, have not been concluded. They are a major uncertainty until agreement is finally reached in all cases.

The gross and net earnings for 1935 as compared with 1934 and for the last month of the year are shown below:

	1935 $	1934 $
December Earnings		
Gross	2,389,183	2,708,481
Oper. exp.	1,205,916	1,286,745
Net	1,183,267	1,421,736
Earnings for Year		
Gross	30,221,757	30,692,415
Oper. exp.	14,144,485	14,616,593
Net	16,077,272	16,075,822

No Cash Dividend

Trading in Brazilian common stock in the last week has been very heavy. The sudden access of interest is hard to explain on only the grounds just mentioned.

There is no immediate prospect of a cash dividend, certainly not on a basis which can be expected to have permanence. It is altogether unlikely that the Brazilian Government will allow money to go out to pay dividends until all commercial and governmental needs are looked after. Brazilian has done very well in the circumstances to get enough money to service all its bonds and even to meet one maturity at the beginning of 1935.

MOTOR SALES $100 MILLIONS FOR PAST YEAR

(Continued from page 1)

time provinces showed little reaction to the appeal of 1936 models.

Ranking of Car Makes

Analyzed by makes, passenger car sales in December on the basis of Might registrations compiled for Canadian Automotive Trade and analyzed by The Financial Post, sorted themselves pretty well on the accepted basis of cumulative figures for the year. Thus Ford continues its leadership followed by Chevrolet. Plymouth and Dodge are in third and fourth positions respectively.

When the "big three" of motordom are grouped together, the year's records disclose that in eastern Canada, Ford this year took 28 per cent of total new registrations compared with less than 24 per cent a year ago. Figures compiled for the whole of Canada by Mights Directories are said, according to Ford officials, to show total Ford sales of passenger and commercial cars to have increased 61 per cent during the year and to represent 32 per cent of the total Canadian market in 1935.

General Motors continues to lead with 37.4 per cent of the total although its ratio of 40.7 per cent in 1934 was somewhat reduced.

Chrysler maintained its ratio almost exactly by taking 24.8 per cent of the whole compared with 25 per cent in 1934.

After these three manufacturers, there was left for all other makers, 9.5 per cent of the eastern Canada field compared with 10.7 per cent a year ago.

Comparative figures by leading makes, by provinces and by company groups, follows:

Passenger Car Sales in Eastern Canada

	Dec. 1935	Dec. 1934	—12 months— 1935	1934
(a) By Makes				
Ford	896	90	17,557	11,089
Chevrolet ...	672	222	13,026	12,602
Plymouth ..	343	55	6,662	5,091
Dodge	428	78	6,441	4,947
Oldsmobile .	192	31	4,649	2,400
Pontiac	118	40	3,901	1,932
Terraplane .	134	8	1,827	1,526
Chrysler ...	76	16	1,578	1,430
Buick	141	39	1,358	1,954
Studebaker .	47	17	893	893
Hudson	60	12	807	879
De Soto	22	3	677	238
Packard	42	3	659	115
Graham	12	14	536	512
Hupmobile .	6	10	301	220
Nash	7	..	229	176
Lafayette ...	6	2	200	85
LaSalle	3	1	188	88
Reo	4	..	141	110
Cadillac	6	5	93	113
Auburn	1	1	56	84
Pierce Arrow	..	..	9	23
Lincoln	..	..	7	9
(b) By Provinces				
Ont.	3,110	442	42,768	32,062
Quebec	26	100	13,061	9,855
N. B.	27	89	2,274	1,612
N. S.	59	17	3,602	3,067
P. E. I.	2	2	332	298
Total	3,224	650	62,037	46,894

By Company Groups

	1935 %	1934 %	1933 %
Gen. Motors	37.4	40.7	43.0
Ford of Can.	28.3	23.6	21.2
Chrysler Corp.	24.8	25.0	23.8
All others	9.5	10.7	12.0

Saskatchewan Sales

From Our Own Correspondent

REGINA.—Last year's auto sales were approximately 86 per cent ahead of 1934 and the outstanding feature was increased rural sales over urban. Rural sales for 1934 totalled 1,283 and for last year 2,669. Urban sales, the centres selected being Regina, Saskatoon and Moose Jaw, totalled 956 in 1934 and 1,571 for last year.

Total sales for the year 1935 were 4,240 compared to 2,239 for 1935. Division for last year was 3,332 passenger cars and 908 commercial. Figures for previous year were 1,875 passenger and 364 commercial.

Analysis of Market

Lower priced cars found a ready market where buyers were available and the business generally was divided between the major companies, Ford and General Motors.

According to motor men in the province, Saskatchewan is regarded on a population basis as being a 9,000 units a year replacement market. This figure has not been reached by a long shot since 1929.

Total Sales

Total sales, all makes since 1929, approximate:

Year	Sales
1929	16,000
1930	6,300
1931	2,600
1932	1,400
1933	1,400
1934	2,200
1935	4,200

Big Deficiency

As the figures show, there have been deficiencies each year following 1929 and these deficiencies total 36,000 units which approximate the size of the replacement market, not counting new prospects.

Six years of delayed spending will be made up in two or three years of good crops, according to motor men who are quite pleased with the rural showing made during 1935.

One fact that is not realized is that purchasing power of southern Saskatchewan farmers was bettered to such an extent during the fall months that low sales figures for the other portion of the year were made up in the fall after the crop had been harvested. Farmers are back in the automotive market.

Big Market Waiting

Condition of hundreds of the cars registered and unregistered within the province is such that it is not likely they will ever be used again.

Peak registrations in Saskatchewan were 130,000 in 1929 with the low in 1933 of 84,487. An uptrend set in the next year, 1934, when registrations hit 90,712. For last year they were 94,427.

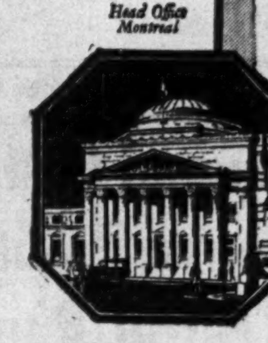
Motor dealers are expecting a continuance of the uptrend during 1936 and unless exceptional circumstances are brought about, it will take approximately four years to bring the registrations back to their peak.

J. S. Mitchell & Co. Pays Dividend on Common

From Our Own Correspondent

MONTREAL.—Directors of J. S. Mitchell and Co. have declared a dividend of $1 a share payable on March 2 to shareholders of record February 14. A similar interim dividend was declared by the company payable March 1 of last year, while previous to that nothing had been paid since 1931, when disbursements totalled $2 a share.

The annual statement of J. S. Mitchell and Co. will be sent to shareholders this week. No official information is available as to the extent of earnings. In 1934 the company reported a gross trading profit of $207,858; the best since 1931. After taking care of all senior charges, there was a net profit of $52,505 available for dividends on both the preferred and common stock. Earnings were equivalent to $17.28 a share on the preferred and $2.06 a share on the common stock.



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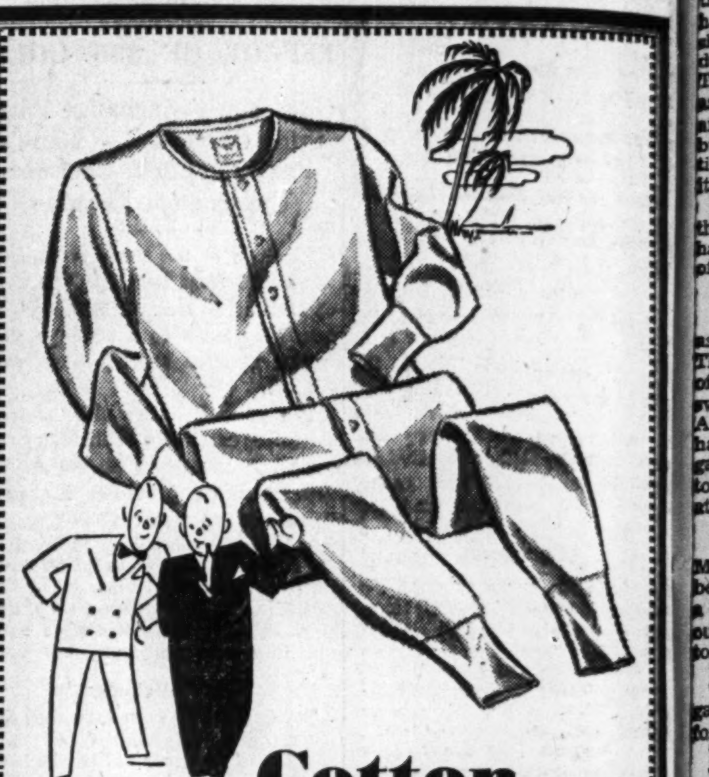

Cotton...
Smooth as Silk

Page Mr. Ripley! Believe it or not, but "*Sea Island Cotton*" Combinations are as smooth as silk. For men who spend most of their day indoors, who can't wear wool, who like real comfort with their warmth, "*Sea Island Cotton*" Combinations are ideal. They're so fine and soft. Short or long sleeves and long legs. Sizes 36 to 44. *The Store for Men — Street Floor.*

$3

Simpson's

The TORONTO GENERAL TRUSTS CORPORATION

Notice is hereby given that the Annual General Meeting of the shareholders of The Toronto General Trusts Corporation will be held at the Head Office of the Corporation at No. 253 Bay Street, in the city of Toronto, on

Wednesday, the 5th Day of February, 1936, at the Hour of 12 o'Clock Noon

to receive and consider the Annual Report and Financial Statement of The Corporation for the year ended the 31st of December, 1935, to elect Directors for the ensuing year, and for the transaction of such other business as may be brought before the shareholders.

By Order of the Board of Directors.

Toronto,
January 21st, 1936.

W. G. WATSON,
General Manager.

Those Who Will Care for
Your Business
if Entrusted to this Company

BOARD OF DIRECTORS.
William I. Gear, President.
John Jenkins, Vice-President.
Arthur Lyman, Vice-President.
Irving P. Rexford, General Manager.
Gerald W. Birks,
Arthur H. Campbell,
A. O. Dawson,
H. B. Henwood,
J. A. Mann, K.C.
Edward C. Pratt,
James G. Ross,
John W. Ross,
Arnold Wainwright, K.C.
Percy R. Walters,
Arthur B. Wood.

OFFICERS.
Irving P. Rexford, General Manager.
W. Hespeler Jackson, Assistant-Manager.
J. G. McKay, Secretary.
Wm. F. Brass, Manager, Real Estate Dept.
James H. Hobbs, Assistant-Secretary.
A. S. K. Stitt, Assistant-Secretary.

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Singer Reveals Details 'Jake the Barber' Ramps

Tells London Court How British Associated Found Oil on Property — Factor Sold Shares — Canadian Senator on Stand

By WELLINGTON JEFFERS

This installment in The Financial Post summary of evidence given in the libel case of Maurice Singer against the proprietors of The Daily Mail of London turns mainly on testimony of Singer himself about his connection with the British Associated Oil Co. and the exact degree of association which he had with John Jacob Factor (Jake the Barber). It also relates the evidence given by Senator Laird of Regina for the plaintiff and the senator's denial that he knew anything of or had anything to do with Jake the Barber. The court entirely cleared him on that point.

Since this report of the trial began Maurice Singer has lost his case on the main plea that The Daily Mail had called Mr. Singer "a swindling share-pusher." He was granted £50 damages on minor issues, however. The Bank of London, which was associated with him in the libel suit, and complained of being called "a bucket shop of the worst description," had judgment entered against it with costs.

The Financial Post is informed that the case of the Bank of London has been inscribed before the Court of Appeals in England.

Singer's Business

Here are a few leading questions asked by Sir Patrick Hastings for The Daily Mail in cross-examination of Mr. Singer, and Mr. Singer's answers: "The issue we are trying is: Are you a fraudulent person who has been for years, and still is, engaged in defrauding or attempting to defraud the public? You appreciate that?"

"I do."

"Don't you know that The Daily Mail, John Bull and Truth have all been saying for years that you are a fraudulent scoundrel and that you ought to be prosecuted by the Director of Public Prosecutions?"

"I sued in 1926 for it."

"What I suggest you have been engaged in doing is this—obtaining or forming worthless companies?"

"Your suggestion is wrong."

"That then you have been engaged in devising and carrying out plans for foisting shares in those bogus companies on ignorant and stupid people?"

"You are wrong."

Worked With Factor

Witness admitted that in a sense he had co-operated with John Jacob Factor in 1925 in forming British Associated Oil Co. He admitted his name was on the prospectus of the company but said he had not seen the prospectus until 1926. At the time the company was formed with $5 millions capital it had not produced one ounce of oil. He considered the acreage valuable, however. The Westminster Finance Co. on the same day was formed in Canada as nominees for Factor, and no doubt proceeded to advertise and sell the potential wealth of British Associated Oil Co.

How They "Struck Oil"

In suggesting that "the company reeks with fraud," Sir Patrick Hastings referred to this remarkable offer to potential shareholders of British Associated Oil: "You pay £2, and if by March 1, 1926, the oil is not forthcoming you get your money back, and if oil is forthcoming you have the wonderful chance of buying more shares in an extraordinary way. Was it absolutely certain and fixed that, by March 1, you, Mr. Maurice Singer, would send a telegram to John Jacob Factor saying, 'We have struck oil.'"

Mr. Singer,—"Unless an accident happened."

Witness stated that to ensure his sending that telegram to Factor he had caused to be sunk on the land of the British Associated Oil Co. one bore within a few yards of the well of the Premier Wyoming Co., whose property had been worked continuously since 1922. It was certain that some oil must appear if one sank a well within 50 yards. That was the only well sunk on British Associated Oil property.

This British Associated Oil Co. had a British charter, Mr. Singer thought, but Sir Patrick Hastings commented, "There was no 'British,' no 'Associated' and no 'oil'." Evidence in Canada was to the effect that there was a black oil for which there was no sale in the locality.

Evidence was then adduced to show that along with a prospectus, telegrams were sent to clients on the basis of this telegram from Wyoming, "Struck oil in British Associated. Well wonderful producer, but owing to rush unable to gauge quantity." The oil being forthcoming, nobody could ask for their money back. More than that, the telegram being so optimistic, clients were asked for and gave more money.

In a previous issue The Financial Post gave space to Mr. Singer's evidence to the effect that he had broken with Factor over his methods of selling stock in England. He himself had been on the property, he said, and had not known what was going on until newspaper articles made him aware.

Canadian Senator Takes Stand

Senator Henry Laird, a Canadian Senator of 17 years standing, gave evidence for the plaintiffs, Singer and Bank of London. He was president of Associated Gold Mining & Finance Co. and of Plymouth Gold Mining Co. He testified that he had satisfied himself as to the bona fides of the companies. He had read the engineers' reports, consulted the consulting engineer and knew the districts well. Admitting that there was only one watchman on the Plymouth mine, he said that it was because all the funds were wanted to develop the Concordia and the United mines because they had machinery on them which the Plymouth had not.

Readers of The Financial Post will remember that this journal in 1934 criticised frankly assertions of an advertisement in Mining News of Canada about the Plymouth mine. Senator Laird stated that he did not approve that advertisement, and at a board meeting on July 9, 1934, a minute was passed condemning the advertisement as being unauthorized. He himself insisted that no shares should be sold as a result of that advertisement.

Avoid Canadian "Red Tape"

Senator Laird said he had been satisfied with the progress made at the mines to the end of June, 1934. On the last day of June Mr. Singer had gone to England with the object of floating an issue of Associated Gold Mining & Finance Co. "as a public issue on the stock exchange for the purpose of financing the subsidiary companies." The directors were pleased to hear of that proposal "as they thought it would be easier than in Canada, where there was a lot of red tape."

In response to cross-examination by Sir Patrick Hastings witness said that Associated was a $20 millions company, that its capital was for the purpose of obtaining a controlling interest in subsidiaries, that it had no assets at the time referred to and that Mr. Singer's only connection was to finance Associated which was in turn to finance subsidiaries. Senator Laird said Singer had nothing to do with the Associated nor with the properties of the Plymouth, the Concordia and the Amalgamated.

"Right and Wrong Way"

Sir Patrick Hastings,—"How was he to finance the Associated?"

Senator Laird,—"When he left Canada he was to finance this associated company by means of a public issue on the Stock Exchange in England."

"Did you believe him when he said that?"

"I did."

"How was he going to float it?"

"We did not ask him; we thought he understood his business."

"What did you think he was going to do?"

"We did not ask him. We left all the details to him. We thought he understood his business."

"If you had known that the only thing that was going to be done in England was to peddle shares, would you have permitted that?"

"If there was anything discreditable, we would not."

"If he had said, 'I am going to take some books of share certificates to various parts of Switzerland, Holland and France and remote parts of England, and sell them from door to door,' would you have permitted it?"

"Well, there is a right and a wrong way of placing shares on the market, and we thought he would take the right way of doing it."

Senator Laird, who was also a director of Amalgamated Goldfields, capitalized at $5 millions, had it put up to him that 2 million shares of Amalgamated were issued to vendors for an old property and the number issued to the public was only 155,000 shares. Senator Laird said he knew little of the company except that men of high repute were on the board. He knew that the directors put a lot of money into the company themselves. He knew very little about the finances of the company. The books were in Toronto.

What Should Directors Know?

Sir Patrick Hastings,—"In Canada is it the habit of directors to know nothing at all about what happens to their shares?"

"The other directors would know. I had nothing to do with it at the outset."

Minute book of Plymouth Gold Mines, produced, showed only meetings on June 1 and 2 and on August 8, 1934. Senator Laird said very little was being done at the time. Directors lived thousands of miles apart.

Counsel read letters recommending the public to acquire shares in the company, and asked, "Whoever is responsible for these letters and the advertisement, were they fraudulent?"

"No; they were very foolish."

"Do you know that Mr. Singer in England was receiving very large quantities of blank share certificates, which were sent to him in Europe?"

"No, I did not know, and I don't know that it occurred."

"Would you have let him receive them?"

Singer as Trust Co.

"No, only the proper transfer agents. I understood that the Stamford Trust was a properly accredited company. I presume that if shares were sold the transfer company would deliver them to the purchaser."

"Supposing you had known that the Stamford Trust was only another name for Mr. Singer, would you have let them be your accredited transfer agents?"

"I would if I had enquired and found out that everything was all right. It would not be reasonable for Mr. Singer to be a transfer company because he was not . . ."

"Were you ever told that Stamford Trust was an alias for Mr. Singer?"

"No, I was satisfied that it was a properly organized company. We were advised by our Canadian solicitor to that effect."

Senator Laird said that if books containing share certificates were sent to Stamford Trust, they would be sent by the executive of the company. He did not recall such books being sent, but presumed they would be sent so that shares could be issued. He could not remember how much money was represented by the share certificates sold but said that every dollar received went into the property. He did not have the companies' books showing the amount of certificates sold, the price obtained and where the money went.

A 5,000 Mile Journey

Senator Laird, on his evidence being concluded, complained with considerable bitterness from the box that no questions had been asked him about Jake the Barber.

"I have come 5,000 miles to clear my reputation about this fellow Factor," he declared. "Surely I am going to be enabled to make a statement about it. It was suggested that I was one of his satellites. I resented it very much."

Senator Laird was assured by the judge and by Sir Patrick Hastings that there was no suggestion whatever that he was an associate of Factor.

Theo. Lanctot, civil engineer, a director of the Associated and Concordia Mines, and president of the United, said he had himself seen quartz taken from a rich strike on the United Mine, that the Concordia is now producing and the others soon would be.

Sales in Europe

House to house calls to sell shares are strictly prohibited in France and Belgium. The Bank of London, however, issued a financial review which discussed the situation of various stocks, 90 per cent of them listed. A list of customers of the Bank was sent to Comte de Beausacq of Paris, in charge of the Bank of London in Paris from London and he circularized, them. If enclosed postcards were sent back the financial review was sent. If further information was asked then the persons asking were "sometimes visited" by salesmen. Orders for shares were sent on to London, and the whole record of shares bought and sold was kept in London.

Mr. Gibson's evidence was to the effect that Mr. Singer was controller of Stamford Trust. The other shareholders were two solicitors' clerks. He, Mr. Gibson, transferred shares on instructions from Montreal. He did not enquire into the purpose of transfers. In case of shares turned over to the Bank of London, the latter instructed him with regard to registration of shares sold by Bank of London.

The Swiss witness said that price of United Gold Exploration shares was given him from London. Methods of sale were much the same as in France and Belgium.

Evidence in case of Singer and Bank of London against proprietors of The Daily Mail has been summarized by The Financial Post from reports of the trial in the London Times.

Concluding article will appear in an early issue.

Britons Regain Part of Losses Due to Factor

Dispatches from London indicate that John Jacob Factor (Jake the Barber) has agreed to repay about $1.8 millions to British shareholders of companies whose stocks he sold them. Announcement came when senior official receiver liquidating Broad Street Press, Ltd., Vulcan Copper Mines, Ltd., and Rhodesia Border Mining Corp. asked Justice Bennett of Chancery Division for direction as to how to dispose of funds extracted "from the notorious share-pusher in America."

For many years the British authorities have been trying to get Factor back to England for trial on charges of embezzlement in bucket shop operations which are said to have cost British investors $7 millions.

Abduction of Jake the Barber by the Roger Touhy Gang in Chicago, his retention in the United States for that and other trials and his quick change of residence whenever one set of courts seemed about to send him to Great Britain have kept British justice at bay so far.

Bidders Are Lacking For Rail Terminals

No offers were received on Jan. 24 for assets of Canadian Rail and Harbour Terminals, Toronto cold storage property. The assets were put up for judicial sale, subject to a reserve bid. Since no other offers were made, the reserve bid was not disclosed.

The next move, on which the Toronto bondholders' committee has made no decision, may be to call a bondholders' meeting. Bondholders could then consider approval of some plan of reorganization or acceptance of any offers that may be submitted. Meanwhile, the property is being operated at a profit by G. T. Clarkson, receiver.

It is understood that there is a possibility of several offers developing. The first mortgage bonds, which have been in default of interest for nearly two years, are quoted at about 50.

INSURANCE EXCH. SETS OUT SCHEME TO BONDHOLDERS

Reorganization Plan Gives Control to Holders of Bonds

From Our Own Correspondent

MONTREAL.—Holders of the 6½ per cent first mortgage bonds of Insurance Exchange Corp. will meet in Montreal on February 26 next to consider a plan of reorganization. The company owns an 11-story office building in Montreal.

It is proposed to set up a new capital structure consisting of $1,720,000 of first mortgage income bonds and 17,200 shares of common stock of the par value of $1 each.

Holders of the present first mortgage bonds will be offered the new income bonds on a par for par basis to the extent of $1.6 millions. In addition they will receive one common share for each $100 of bonds held, or a total of 16,000 shares of common stock.

This will give the present bondholders control of the company and under the plan a voting trust will be set up for a period of ten years.

Provided the first mortgage bondholders approve the scheme, the receiver of S. W. Straus & Co.—which holds the junior equity—will surrender for cancellation $422,625 of the present first mortgage bonds and interest coupons aggregating $198,147. The receiver will also surrender all of the general mortgage bonds amounting to $400,000 and will procure the release and discharge of a third mortgage totalling $126,809. The Insurance Exchange Corp. will also be released of all indebtedness to S. W. Straus & Co. which, further, will transfer to the trustee all of the outstanding common stock of the old company, amounting to 40,000 shares of a par value of $25 each.

In return for these concessions, the receiver of S. W. Straus & Co. will receive $120,000 of the new first mortgage income bonds and 1,200 of the new common shares.

COAST PAPER FIRM AGAIN ALTERS NAME

Canadian-American Pulp & Paper Follows "British-American" and "Mutual"

British-American Pulp & Paper Mills Ltd., Prince Rupert, B.C., has changed its name as at Jan. 9, 1936, to Canadian-American Pulp & Paper Mills Ltd., according to a notice in the B. C. Gazette. It is understood that the reason for this change is to avoid confusion with British Columbia Pulp & Paper Co.

The company's original name was Mutual Pulp & Paper Mills Ltd. which was changed to British-American, and now to Canadian-American.

The company was formed to acquire docks and power plant at Prince Rupert from the Dominion government. Plans are under way to erect a mill to produce bleached sulphite pulp at an ultimate capacity of 500 tons a day. Construction is to start within a few months.

Frank L. Buckley, Vancouver, is managing director. San Francisco bankers and capitalists are backing the venture.

SCOTIA STEEL ASKS CREDITORS TO FILE CLAIMS IN DETAIL

From Our Own Correspondent

MONTREAL. — Liquidators of Nova Scotia Steel and Coal Co. have sent out a public notice asking that all creditors or other persons having any claim against the company, submit full particulars of claims and the nature of the securities held by them on or before February 19 next. Failure to do this excludes creditors or security-holders from participating in any of the benefits.

At the end of 1934 Nova Scotia Steel had outstanding $4,372,855 of five per cent first mortgage bonds; $4,978,500 of six per cent perpetual mortgage debenture stock; $1 million eight per cent cumulative preference; and $15 millions of ordinary stock. All of the ordinary stock is held by Dominion Steel and Coal Corp.

Although no report has been issued by the liquidators since their appointment in January, 1933, it is understood that some improvement has been recorded in earning power

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U. S. ADVERTISING BILL $520 MILLIONS IN 1935

Gain of $30 Millions Over 1934 Reported by Media Records Inc.

From Our Own Correspondent

MONTREAL. — Advertising linage in 52 key cities of the United States during 1935 recorded an increase of about 5 per cent over that reported for 1934, according to records of Media Records Inc., and published by Editor and Publisher. Sold advertising space last year had a value of $520 millions, compared with over $490 millions of advertising receipts in 1934 and with a depression low of about $440 millions in 1933. The high point was reached in 1929 when space sold had a value of $850 millions.

In linage, the course of advertising volume has been down to a 1923 low of 56.2 per cent of the 1929 total, then back in 1934 to 62.1 per cent, and on in 1935 to 65.7 per cent. In dollar volume the losses were somewhat more than these percentages would indicate, because of rate decreases, and because of increased placing of general advertising through dealers at local rates.

The total linage in 1935 was 1,247 millions, as against 1,179 millions in the previous year. Display advertising accounted for 1,018 million lines, compared with 973 million lines in 1934. Classified advertising at 229 million lines compared with 205 million lines in the previous twelve months.

Quebec Electricity Board Assumes Active Operations

From Our Own Correspondent

MONTREAL. — Quebec's newly formed Electricity Commission is lending its assistance to the municipal authorities of St. Jerome, with a view to negotiating a new contract with Gatineau Power Co.

The Commission is studying at the present time the basis of a contract between the village of East Hatley and the Southern Canada Power Co. It is expected that approval of the agreement will be announced shortly.

The Electricity Commission will sit for the first time as a tribunal exercising its power at Hull at the end of the month, to hear the problems which have arisen between that city and the James Maclaren Co.

Windsor Court Apts. Paying 1932 Coupon

Coupon No. 11 on 6 per cent first mortgage bonds of Windsor Court Apartments is being paid Feb. 1, 1936. The coupon has been in default since Dec. 1, 1932.

The company owns a 3-story, 118-suite apartment building in Windsor. It has taken some time to pay off arrears of taxes. Percentage of occupancy improved last year, so that the company has been able to accumulate some funds for bondholders over and above taxes and operating expenses. The property is being operated by the company, under the close supervision of the bondholders' trustee.

Forms Flemming & Co. To Do Bond Business

Paul R. Flemming, formerly of Flemming, Denton & Co., announces the formation of Flemming & Co., Toronto, to deal in government, municipal and corporation bonds.

Mr. Flemming and Wilfred H. Denton have announced dissolution of the partnership of Flemming, Denton & Co.

In One Mine's Lifetime

ONE MINE, in its time, plays many parts. The part it plays in the private lives of those associated with it, directly and indirectly, goes to make up one of the most vivid chapters in Canadian history. Its broader role,—the part it plays in making the nation what it is—is equally vivid. So it is with

McINTYRE PORCUPINE MINES

The personal story of McIntyre Porcupine Mines is known to most Canadians. The tales of courageous men, the whimsies of fortune, devastating fires, and rich rewards which featured the early days of the Porcupine Camp, are now all part of Canada's history.

The broader part played by this mine, as part of the nation-making mining industry is, to-day, being played on as large a scale as ever.

McINTYRE PORCUPINE MINES has paid, in the past ten years, over $16.7 millions in salaries and wages.

In an effort to attain the greatest possible economy of operation, an entirely new plant and shaft came into operation in 1927 entailing the expenditure, direct and indirect, of many millions of dollars.

In the year 1935 alone, over $1.5 millions went to the Manufacturers and Railroads for equipment and freight.

All this was only complementary to the actual production of gold.

McIntyre Porcupine to-day gives direct all-year-round employment to 1,140 men whose average earnings last year were over $5.25 per eight hour shift.

These efforts are conducted by the Board of Directors and Management on behalf of 4,000 shareholders scattered throughout the world, and are in accord with a recognized policy, that has for its purpose conservative continuity and maintained stability.

McINTYRE PORCUPINE MINES has its own place in the pattern of Canada's modern life.

McIntyre Porcupine Mines, Limited

Executive Offices: Toronto, Ontario Mines: Schumacher, Ontario

Investment Trends —

If It Isn't Inflation Again!

• • • •

Newsprint Securities Risky

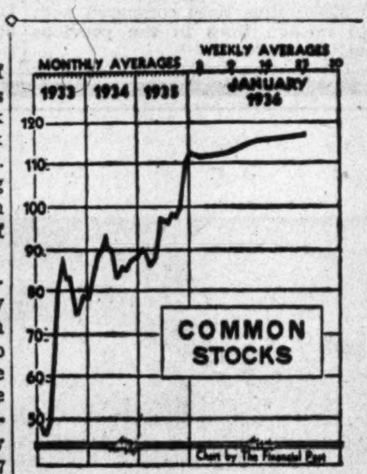
• • • •

Currency Influences Remain

Inflation, ever-popular stimulant of rising stock prices, is with us again. There is measurable reason to believe that the fear of inflationary influences in the United States is encouraging investment in Canada, thus providing a prop for prices of Canadian stocks and bonds.

If share prices rise from present levels, investment advisers suggest the advance could be extensive before a decline sets in. The giddier the pace of the rise, however, the more certain an eventual temporary reversal.

It is known that some of the foremost financial authorities in New York and Washington have had fears for some time of an uncontrollable boom in stock markets. Hence, it is correct to construe the raising of margin requirements on Wall Street as evidence that authorities are trying to guard against speculation.



Share prices have continued to make new peaks, as shown by the above graph of Dominion Bureau indices that appear on this page. The new high is the peak since Oct. 9, 1930.

Pattern Changes

WITH upward movements of averages for industrial shares in Montreal, Toronto and New York in the past week, the pattern of stock market charts has altered materially. Instead of an indefinite milling around, share prices have risen sharply following a new injection of inflation into the U.S. budget.

The Dow-Jones industrial averages in New York would be in new high ground above 149.5, which would be taken by chart-readers to signify a possible rise well into the 150's. An accompanying rise in the Toronto and Montreal Stock Exchange averages could possibly carry them well above 140 and 77 respectively.

* * *

Newsprint Hazards

PRICES for newsprint bonds and stocks have continued strong, apparently on optimistic expectations of the $41 price for 1936 and the high volume of production.

Little heed is apparently being paid to the Great Lakes Paper deal, which can still provide an explosion in the industry. If the deal is completed, newsprint firms fear it will tend to hold down the price of paper for years. If it doesn't, an immediate cut of $2 a ton becomes a possibility.

Last week The Financial Post reported that there is a possibility of legislation in Ontario to regulate the newsprint industry. This might work out satisfactorily to the industry and to investors in newsprint securities; but government regulation often turns out to be something different from what is originally contemplated.

Anyway, the investor could do worse than keep in mind the fact that actual and potential disturbances in the newsprint industry may make 1936 a less prosperous year than has been hoped. Eventually, there is reason to expect newsprint to recover a measure of its former prosperity. For the moment, however, a cut in price, even though temporary, would probably upset newsprint securities.

* * *

American Buying

A HEAVY influx of American funds continues. In November last, Americans bought a net of $9.2 millions of Canadian securities. For the first 11 months of 1935, $61.6 millions net of Canadian securities were taken out of Canada by U.S. buyers. Britishers are net sellers here, however, because of nervousness caused by repudiatory proposals. Dominion Bureau figures show that British investors sold $16.2 millions net in Canada in the first 11 months of 1935.

The fear of inflation is apparently a factor in driving U.S. funds into Canada. There was evidence of this in the recent drop of the American dollar against the Canadian currency.

For the present, it seems improbable that nervous American money will cease entering Canada. If, however, the stream dried up, it would mean a serious shock to security prices in Canada.

One effect of the decline of the U.S. dollar is to reduce the net return received by Canadian newsprint manufacturers from their sales. Another, due to the rise of sterling, is to help sell Canadian food products profitably in Great Britain. The benefits should be felt chiefly by meat-packing firms, wheat and flour exporters, etc. The sustained strength of the pound around $5 is of considerable value to Canada's export business, and hence to securities of nearly every variety.

* * *

Sugar and Flour

THE price disturbance in the central Ontario sugar market, mentioned several months ago in this column, continues. It originates with the Crosse & Blackwell bankruptcy. At the recent C. & B. creditors' meeting the sugar venture was mentioned as a source of revenue even though prices in Ontario have been cut about five per cent. Firms affected by the price-cutting include Canada & Dominion; St. Lawrence; Atlantic; Acadia.

In contrast with sugar, flour milling firms are doing much better, as was indicated in The Post months ago. Exports of flour in December were 443,828 bbls., compared with 340,751 bbls. in the 1934 month. The gain is about 30 per cent. While there is large investment interest in Ogilvie's, St. Lawrence Flour and International Milling Co., the firms that have most ground to recover are Lake of the Woods, Maple Leaf, and Western Canada Flour.

Securities of all have risen. There is a long distance for the industry to go before production reaches what can be considered normal. The same may be said of securities of some of the companies.

* * *

Government Dry Rot

THE drain of deficits and disregard of investors by governments continue as a sort of dry rot in Canadian business. This condition is a threat to recovery in that it will have to be cleaned up sooner or later, and this may be accompanied by disturbances. Already efforts to improve government revenue and international trade by tariff adjustment have upset the textile industry. Increased taxation would have varying effects on different companies. None of it, however, is good.

MINING
Leads Canadian Recovery

33% of all dividends paid in 1935 came from Canadian mines. Totalling over $85,744,101, mining leads all basic industries as a producer of national wealth.

NESBITT, THOMSON AND COMPANY LIMITED
355 St. James Street West, Montreal
Branches in all the principal cities of Canada

G. TAMBLYN LTD. 1935 EARNINGS SHOW INCREASE

Company to Redeem 1,500 Preferred Shares on April 1

Reflecting improvement in sales, G. Tamblyn Ltd. will report an increase in profits in 1935, The Financial Post is informed. No definite estimate of earnings is available, however.

Higher earnings in 1935 mark the turning of the tide for the company. Profits declined from $182,819 in 1931 to $100,333 in 1934, a small decline being recorded each year. Improvement in profits in 1935 indicates that the company is benefitting from the general upturn in business. Profits in 1934 were equivalent to $2.38 a share on the common stock.

Dividend Indefinite

It is not known whether the company will consider a dividend disbursement on the common stock now that earnings are on the upgrade. While earnings on the common stock have never been lower than $2.38 a share and in 1931 amounted to over $5 a share, the company has never made a disbursement on the common stock. The policy of the company has been to use earnings in excess of preferred dividend requirements to reduce the amount of preferred stock and to increase its working capital.

To Redeem Preferred

In keeping with this policy the company has announced that it will redeem by lot 1,500 shares of preferred stock on April 1 next, at $110 a share and accrued dividends.

At the end of 1934, the company had 4,769 preferred shares outstanding. Redemption of 1,500 shares on April 1 will reduce preferred capital to $326,900. Funds for redemption of the preferred shares will be drawn from liquid resources. At the end of 1934 the company had $200,000 in Dominion of Canada bonds.

With the gradual redemption of the preferred stock from $700,000 in 1928, the position of the common shares has been materially improved. In 1935 the company paid off $40,000 of mortgage indebtedness. Mortgages payable now stand at $32,500.

Barcelona Net Gains 4.03 P. C.

Barcelona Traction, Light & Power Co. had a gain in net earnings in 1935 of 4.03 per cent as measured in pesetas.

Gross earnings advanced to 122.3 million pesetas in 1935 from 117 million pesetas in 1934, a gain of 4.6 per cent. Operating expenses went up 5.63 per cent to 43.9 million pesetas.

Only in March was there a decline in net. These figures are subject to final adjustment in the annual accounts. Depreciation, bond interest, amortization and other financial charges of operating companies will be deducted. The annual report will probably appear early in June.

Canada's Newsprint Sales Gain Sharply in December

From Our Own Correspondent

MONTREAL. — Canada exported nearly $9.5 millions of newsprint last December, compared with $8.2 millions in the previous months and $8.9 millions for December, 1934.

Exports to the United States—principal market for Canadian newsprint—in December, were valued at $8 millions.

For the first nine months of the Dominion's fiscal year, ended December, the value of exports of newsprint were nearly $6 millions higher than in the corresponding period of the previous year.

Shortage in Revenues Mounts in Newfoundland

Total Production About $35 Millions — Exports and Codfish Catch in 1935 Below Total of Previous Year

From Our Own Correspondent

ST JOHN'S.—Newfoundland ended 1935 with a shortage of $400,000 in revenue for the first half of the fiscal year, which ends June 30, 1936, with exports about $2 millions less than in the previous year, and with some 425,000 quintals of the 1935 codfish catch still unsold.

In spite of this rather discouraging outlook, however, Christmas trade was the best in some years

Reduction in revenue was foreseen by Finance Minister Trentham at the time when tariff reductions were effected in January and again in July. His estimate of the decrease was $650,000. But in place of the anticipated decline, an increase was reported for the first six months of 1935. As a result the net reduction for the calendar year was about $200,000.

Production Estimate

Total production of Newfoundland for 1935 is estimated at $35 millions, comprising $24.5 millions of goods for export, and the rest for domestic consumption. Main items of export during the year were as follows:

Newfoundland Exports
Year Ended Dec. 31, 1935

	$
Codfish	5,300,972
Other fish prods.	584,019
Fresh frozen salmon	439,190
Oils (cod, seal, whale)	724,692
Berries	238,283
Forest prods. (newsprint, pit-props)	11,447,608
Iron ore (Wabana)	1,680,777
Lead-zinc concentrates (Buchans)	3,460,993
Furs and sealskins	450,904
Other minerals (limestone, fluospar)	194,030

Import figures are not yet available, but indications are that they will be slightly lower.

Domestic Production

No government figures are issued in respect to production for the domestic market, but the Newfoundland Trade Review gives the following as a fair estimate of the more important products:

Newfoundland Production
(For Home Consumption)
Year Ended Dec. 31, 1935

	$
Sawn lumber	545,000
Agriculture	8,492,000
Fish, game	50,000
Local manufactures	500,000

This estimate, however, does not include nearly 200 new or reconditioned fishing vessels built last year. A grant of $500,000 was advanced for these from the Colonial Development Fund.

The codfish catch was somewhat below the 1934 volume, being estimated by the department of natural resources at 1,275,000 quintals. The total is made up of 125,000 quintals from the bank fishery, 750,000 from the shore fishery, and 400,000 from Labrador.

However, approximately 427,000 quintals were still unmarketed at the year end. This is attributed to a number of causes, the chief being the Italian situation.

Normally Italy takes some 150,000 quintals. Last season only 38,400 quintals found a market there. In addition, quotas, exchange restrictions and competition of European-caught fish made the process of marketing particularly difficult.

Investment Notes

Bathurst

Advance in value of A stock to 15 has drawn attention to Bathurst Power & Paper Co. It was publicly offered in 1928 at $40, with a bonus of one quarter of a B share. The rise in the market value is attributed to growing interest in the pulp and paper securities and also to the report of larger earnings. For 1934 the company's income was $111,261, while for the first half of 1935, revenues totalled $110,638. Accordingly it is believed that total 1935 income was about double that of 1934. The shares are selling at about 45 times the peak earnings of 1928.

* * *

Vinegars Support

One reason for the firmness of Canada Vinegars stock between 21 and 22, after the recent report of reduced earnings, is believed to be that there was deliberate support to absorb liquidation.

* * *

Toronto Elevators Dividend

It is reported unofficially that Toronto Elevators Ltd. will consider increasing the dividend on the common shares this year. Annual payment of $1 a share has been made for several years, but it has not been declared until after the close of the fiscal year on July 31.

* * *

Brazilian Tipping

Two weeks ago, when Brazilian was at $10, the prevalence of street "tips" on the stock was mentioned in this column. The shares are now above $12, and higher prices are being predicted on "the street." This, however, is not unusual following a rise. Certainly, if the Brazilian Traction, Light & Power were assured of receipt of funds from Brazil, it would be beneficial.

* * *

Goodyear in Future

There is more than a possibility that important changes in senior executive posts in Goodyear Tire & Rubber Co. of Canada will be announced at the annual meeting. Looking ahead some years, it may be worth pondering the possibility that the U. S. firm, which holds control, may be able to draw down more cash from the Canadian venture.

* * *

Brewing Corp. Movements

Movements in shares of Brewing Corp. of Canada are peculiar. The shares have been strong in the firm's slowest season, and there are no immediately sensational developments. In Toronto it is known that large dealings in the shares sometimes appear to originate in Montreal. The subject of conjecture is whether this is Toronto business short-circuited through Montreal dealers.

* * *

National Grocers Common

Strength in National Grocers common has been attributed to the possibility that some method of dealing with the $35 a share of arrears of dividends on the preferred stock would be devised outside the company. The latest talk is that it won't be easy to remove the senior claims on earnings in the near future. This would return the common shares to the position of a long-range investment, improvement being predicated largely upon gradual retirement of bonds and payment of preferred arrears. Still, the common would hold attractions for the investor who wants to own non-paying shares to avoid heavy income taxes.

* * *

C.P.R. and Wheat

The C.P.R. has yet to feel the full effect of large sales of Canadian wheat that have been taking place for some time. Although sales have been made to British buyers, wheat has not started to move in maximum volume. Increasing movement will eventually follow the increased sales. The new year may, therefore, be a better one for C.P.R. rail earnings. Also, there is no indication that special income, which showed an increase in 1935, will be any lower this year.

* * *

Canada Steamships

Increased bookings for 1936 promise improved freight traffic for Canada Steamship Lines. An increase in wheat movement in the spring, which is practically certain, would be helpful; just how much depends on lake freight rates which are not very profitable under six cents a bushel for export grain.

* * *

Construction Shares

In a bulletin, "Outlook for Construction Stocks," Cassels Son & Co., Toronto Stock Exchange firm, comments: "We believe that securities of the leading companies directly or indirectly connected with the building industry offer opportunities for investors at this time, and that a continued increase in volume of business during 1936 will justify their retention over the next year."

Securities of six companies in the building industry come in for these remarks:

Building Products A—"Earnings in 1935 are expected to exceed earnings in 1934, and prospects for 1936 are bright, since the company will participate in any improvement in building construction."

Canada Cement—"Increased earnings will naturally apply first to provision for full depreciation reserve, and then to arrears of preferred dividends. Such an increase, however, would probably be immediately reflected in appreciation in the market value of preferred and common shares."

Dominion Bridge—"The common shares are an investment medium returning a yield of 3½ per cent and with good possibilities of marked appreciation over a period of several years."

Gypsum, Lime—"Shares of Gypsum, Lime & Alabastine, Canada, offer speculative attractions in view of the improved position of the company and the fact that further increase in building is anticipated during 1936."

Page-Hersey—"Page-Hersey common stock returns a yield of 3¾ per cent with the prospect that the dividend rate will be increased with any further improvement in earnings. The important position that the company holds in its field, its strong liquid position, continuous dividend records, and past earnings records, combine to give this stock a high rating as an investment."

Steel Co. of Canada, common—"Further payments on account of arrears can be anticipated, and this accounts for the common shares selling higher than the preference shares."

* * *

Building Products

Operations and earnings of Building Products during 1935 were on a better basis than in 1934, judged by Dominion Bureau reports on the insulating board industry. Domestic shipments of rigid insulating board last year totalled 27.9 million square feet. This compared with 24.7 million square feet in the previous year and with 14.7 million square feet in 1933. These are the returns for three firms, of which Building Products is probably the most important.

* * *

Belding-Corticelli

Potential competition in the textile field from Japan, as a result of the new trade agreement, has been the cause of considerable uneasiness among manufacturers in this country.

Dominion Textile Co. has already closed down its rayon plant at Sherbrooke owing to the uncertain outlook.

In the 1935 report to shareholders of Belding-Corticelli, A. O. Dawson, president, stated:

"It is difficult to forecast results for the year 1936 as we are as yet unable to determine to what extent the production of your mills will be affected by Japanese competition as a result of the recent trade agreement that Canada has entered into with that country."

* * *

Montreal Power

For the first time in its history, Montreal Light, Heat and Power Cons. has given shareholders a "breakdown" of its revenue. During the past year the company had a total income of $24,100,510, compared with $24,273,719 in 1934. Though comparative figures for 1934 are not available, the breakdown of returns for 1935 is of considerable interest. The report shows that operating revenue totalled over $21.1 millions and non-operating revenue, or income from investments, $2.9 millions. A feature of the breakdown, copy of which follows, is the relatively small amount received from domestic lighting services.

	$
Electric revenue:	
Domestic	3,477,488
Commercial	3,831,807
Industrial	6,021,706
Export	673,693
Secondary power	361,562
Municipal:	
Aqueduct	367,797
Street lighting (15 municipal.)	587,563
Wholesale	226,639
Gas revenue:	
Domestic	3,950,759
Industrial	1,141,355
Other operating revenue	496,601
Total operating revenue	21,136,970
Non-operating revenue	2,963,540
Total income	24,100,510

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 5	Oils 5	Textiles and clothing 11	Food and allied products 18	Beverages 9	Total industrials 89	Total utilities 23	Total co's. 112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Weekly Figures, 1936:										
Jan. 2	125.3	17.3	78.6	212.6	72.1	149.5	155.1	178.3	49.8	111.4
Jan. 9	128.8	18.6	79.5	217.5	74.9	152.1	152.6	180.2	50.8	112.3
Jan. 16	129.8	18.9	80.7	232.2	75.7	152.9	152.7	187.2	50.8	116.2
Jan. 23	128.2	19.1	80.4	236.9	76.5	155.5	152.1	190.6	50.6	117.8

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Jan. 28	.....	.....	.....
Jan. 27	135.65	131.96	132.53
Jan. 25	134.21	132.22	130.48
Jan. 24	134.36	133.78	130.51
Jan. 23	133.62	132.93	130.50
Jan. 22	133.34	129.33	127.94
Month ago	128.17	120.56	123.96
Year ago	108.07	110.94	83.04
High, 1935-36	135.65	133.83	132.53
Low. 1935-36	97.90	96.70	80.83

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Jan. 28	...	...	...
Jan. 27	68.4	72.9	71.4
Jan. 25	68.2	72.6	71.2
Jan. 24	68.5	73.1	71.5
Jan. 23	68.3	72.5	71.1
Jan. 22	67.9	72.4	70.9
Month ago	65.5	68.2	67.3
Year ago	62.1	60.2	60.9
High, 1936	69.5	73.1	71.5
Low, 1936	68.0	70.3	69.6

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CAN. WINERIES EARNS DIVIDEND BUT PASSES IT

Sales of Industry Fall 30 Per Cent — Costs Are Cut

Canadian Wineries has passed the dividend on its common stock. The Financial Post some time ago indicated the likelihood of this action. The reason given by the directors is a decline of 30 per cent since March 1, 1935, in total sales of the industry as compared with 1934.

Substantial reductions have been and are being made in the cost of running the business, states the company in a letter to shareholders. It expects that the net earnings for the year will be equal to the 20 cents a share dividends paid in the last fiscal year ended April 30, 1935. But the cut in profits, compared with 40 cents a share in the previous year, has delayed liquidation of bank loans incurred in establishing the United States plant. Profits will now be devoted to that end.

Curtail U. S. Losses

The United States business is developing slowly. A number of distributing connections were formed as a result of the autumn advertising campaign. The business in the holiday season was profitable. Though a loss has been shown on the total United States business to date, it is expected that the loss will be curtailed from now on.

"Even with the American business included, the operating and overhead costs of the company are at the lowest point in its history," says the statement.

Sales of retail stores have substantially increased. In the seven months of the present fiscal year to November 30, 1935, increase was 15 per cent above the same period in 1934. That increase was made in the face of the general decline in the industry.

Maintaining Position

The company is maintaining its position in the face of the present unsatisfactory conditions, the report adds. The directors believe that any improvement in conditions will rapidly be reflected in increased earnings.

Nearly $460,000 have been expended since May 1, 1929, in new plant additions, alterations and improvements. Of this amount $346,000 has come out of earnings in addition to $209,000 paid in dividends in the same period. The maintenance and repair costs were excessive, due to initial condition of the properties being poor.

Though not stated in the report, The Financial Post understands that the wine industry as a whole believes its decline in wine sales in 1935 to be a direct result of expanding sale of beer and ale under the new Ontario laws.

Sale in beverage rooms and hotels has not proven of advantage to wine sellers. The product has greatly improved in recent years, however, and the industry is striving for some way out whereby native wines will come as easily to the attention of drinkers as beers or ales.

Public Utility Earnings

B. C. Power

December:	1935 $	1934 $
Gross earnings	1,221,946	1,170,847
Operating expense	776,768	737,603
Net revenue	444,278	433,244
Six Months:		
Gross earnings	6,868,822	6,456,503
Operating expense	4,636,628	4,307,972
Net revenue	2,232,194	2,148,531

Brazilian Traction

December	1935 $	1934 $	Decrease $
Gross earn.	2,389,183	2,708,481	319,298
Oper. exp.	1,205,916	1,286,745	80,829
Net earn.	1,183,267	1,421,736	238,469
12 months			
Gross earn.	30,221,757	30,692,415	470,658
Net earn.	16,077,272	16,075,822	*1,450

*Increase.

Union Gas Company of Canada, Limited
4½% First Mortgage Bonds
Due December 1st, 1950
Denominations: $500 and $1,000.
Price: 98 and accrued interest, yielding 4.68%

For more than twenty-five years the Union Gas Company has been engaged in the production and sale of natural gas in Western Ontario.

Payment of principal and interest on these Bonds is based on the proven earning power of the Company. During the last five fiscal years average earnings (after depreciation) were 2.3 times bond interest requirements.

Descriptive circular gladly furnished upon request.

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GEORGIA HOTEL CO. PAYS BOND INTEREST

Improvement in Earnings Enables Company to Pay Arrears

Marked improvement in business in 1935 has enabled Georgia Hotel Co. of Vancouver to pay the full rate of interest for 1935 on its first mortgage bonds, and also to liquidate arrears of interest.

Reorganized in 1933, the company's 6½ per cent first mortgage bonds were exchanged for new six per cent bonds maturing June 1, 1947. The new bonds have a minimum interest requirement of four per cent, but an undertaking was given to pay six per cent when earnings permitted, the difference between the amount paid and the six per cent rate being cumulative. The new basis was retroactive to June 1, 1932. Until 1935 earnings permitted interest at 5½ per cent from that date.

The hotel is under lease to Pacific Western Hotels Ltd. on terms which permit Georgia Hotel Co. to participate in increased earnings. The annual minimum rental is $72,000. Seventy-five per cent of additional net earnings accrue to Georgia Hotel Co. until it receives a further $28,000, bringing annual rental to $100,000. Any earnings in excess of $100,000 are divided equally between Georgia Hotel Co. and Pacific Western Hotels Ltd.

There are $1,260,000 of bonds outstanding. Interest and principal are payable in U. S. funds.

Apple Shipments

Heavy increases in apple shipments from the Port of New Westminster were recorded during 1935 over the previous year. Apple exports totalled 825,185 boxes compared with 481,188 boxes in 1934.

3½%
INVESTMENT DEBENTURES

Issued in sums of $100 and upwards for terms of from 5 to 10 years. Canada Permanent debentures are a Trustee Investment.

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320 Bay Street, Toronto
Assets exceed $69,000,000

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Experienced Bond Salesmen
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INVESTOR'S OPPORTUNITY
About $25,000.00 additional working capital required by well-established firm for the operation of a good size modern flour mill. Investor can be active or silent. For full details write to Box 276, The Financial Post, Toronto.

"The Trend of Investments 1935-1936"

In a booklet under this title we have compiled data of valuable significance to the investor.
We will be glad to send you a copy.

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Bond yields have declined to such a low level that investors are turning to high grade Preferred Stocks to make up, at least partially, for the reduction in investment income.

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In view of existing conditions and the prospects for continued recovery in business and industry, we believe that high grade Preferred Stocks will find a place in the portfolios of an increasing number of investors.

We shall be pleased to submit a list of Preferred Stocks recommended at this time. There is no obligation, of course.

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Montreal
Quebec
Saint John

Bond Markets

Bonus Bill Affects Market

* * * *

Newsprint Bonds

Inflationary sentiment as a result of the passage of the bonus bill has proven a stimulant to second grade corporate bonds on the New York mart. Canadian industrial issues have remained unaffected.

With newsprint bonds continuing their upward trend, there is danger that some may become over-valued. The Ontario government has not yet granted a license to the Upper Lakes Pulp and Paper Co., so that the Great Lakes reorganization may not be completed even if the appeal before the courts fails.

The new issue of $350,000 of P. E. Island three per cent bonds offered at 100 and accrued interest found a ready market.

British Funds

BRITISH funds available for investment in Canadian securities are gradually drying up.

Sales of Canadian securities to Great Britain, as reported by the Dominion Bureau of Statistics, declined sharply in 1935. In the first 11 months of the year, sales dropped to $24 millions as compared with $97 millions in the same period of 1934.

This reflects the decline in Canadian credit in London. McGeer's proposal for compulsory cut in interest rates by Vancouver, the repudiation of Hydro contracts by Ontario, a Social Credit government in Alberta and various conversion proposals have all contributed to this decline.

* * *

British Views

STEPS taken by Hon. Charles Dunning, minister of finance, to place the credit of the provincial governments on a sound basis are viewed with approval in London investment circles.

The New Statesman and Nation, a British political weekly, in commenting upon the situation expresses doubt, however, as to whether Canadian authorities realize to what depths the credit of "certain provinces" and municipalities has sunk in London.

Conviction in financial circles that the Dominion government will not permit a default is the only reason that the prices of many Canadian bonds in London have not fallen further.

The hope is expressed by the New Statesman that Mr. Dunning will clear up the railway situation when he has settled the debt problems.

* * *

U. S. Purchases

WHILE British funds seeking investment in Canada have been dwindling, United States investors have been increasing their purchases of Canadian securities.

This reflects increased uncertainty as to the further trend of events in U.S. and recognition of the greater stability of conditions in this country. Fear of collapse of the U.S. bond market has also been a factor.

Sales of securities to U.S. in the first 11 months of 1935 increased $40 millions over the 1934 period, amounting to $238 millions. This does not include the $76 million issue of Dominion government bonds sold in New York in August or the $20 million banking credit arranged in September.

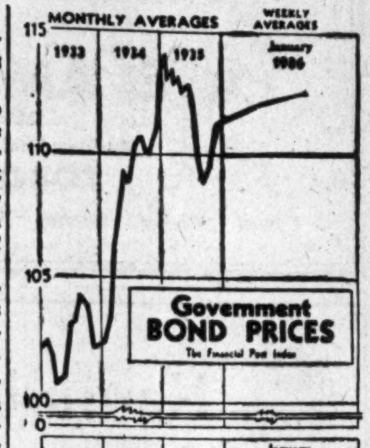
* * *

Corporation Issues

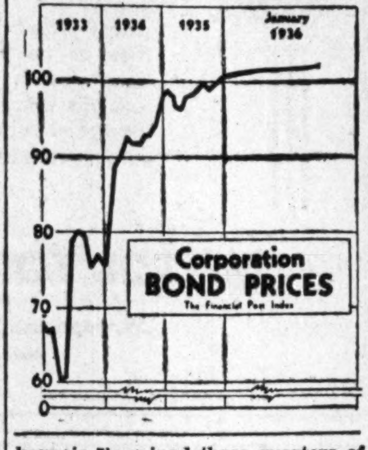
THE major trend in corporation bond issues continues to be upward.

In the utilities group, Winnipeg Electric bonds have enjoyed strength. Maclaren-Quebec issues gained a point each while Gatineau bonds were off fractionally. Beauharnois 5's gained three-quarters of a point and 5½'s half a point.

Transportation issues recorded further gains in response to continued prospect of improved freight traffic in 1936. C.P.R. 4's and 4½'s moved up fractionally and Canada Steamships touched 58.75.



Government BOND PRICES
The Financial Post Index



Corporation BOND PRICES
The Financial Post Index

* * *

Government Bonds

REFLECTING the improvement in the market for gilt-edged government issues, The Financial Post index stands at the highest point reached since the middle of August last. It is probable that a further rise will be recorded as accumulated funds are continuing to enter the investment field.

Dominion of Canada direct and guaranteed issues advanced all along the line, gains, however, being confined to a fraction of a point.

Price action of Ontario issues has been erratic, with a tendency to firmness. Ontario 4½'s, due 1962, gained 1½ points.

Trading in western provincial issues has been quiet although higher prices have been recorded in several issues.

The trend of the gilt-edged market is indicated below:

The Financial Post Average Yield and Price For Seven High-Grade Government Bonds

1936	Yield %	Price $	1935	Yield %	Price $
Jan. 27	3.455	112.65	Jan. 28	3.468	114.07
Jan. 25	3.435	112.71	Jan. 26	3.425	114.45
Jan. 24	3.440	112.65	Jan. 25	3.424	114.48
Jan. 23	3.468	112.43	Jan. 24	3.425	114.51
Jan. 22	3.475	112.32	Jan. 23	3.425	114.51
Jan. 21	3.509	112.01	Jan. 22	3.427	114.45
Jan. 20	3.501	112.09	Jan. 21	3.422	114.50
Year's	3.501	112.71	Year's	3.367	114.97
Range	3.597	111.50	Range	4.097	106.57

Trust and Loan Co. Changes Capital Structure

From Our Own Correspondent

MONTREAL. — The Trust and Loan Co. of Canada will make application at the next session of Parliament for an amendment of its act of incorporation along the lines of a readjustment of the capital structure. It is proposed to change the capital stock of the company from £5 millions divided into 2½ million shares of £2 each to $5 millions divided into 2½ million preference shares of £1 each and 2½ million ordinary shares of £1 each.

The amendments will also provide exchange of 1.8 million preference shares of £1 each fully paid and 1.8 million ordinary shares of £1 each paid up to the extent of 62s, 6d a share for 1.8 million shares of £2 each paid up to the extent of 22s, 6d per share.

Repudiation Influences Trend of Investment

Angus & MacDonald, Toronto Stock Exchange firm, has issued a booklet "Trend of Investments" 1935-36.

The trend of investments, the booklet states, has been from bonds and preferred stocks to common stocks. It comments: "This trend may be attributed, in part, to government interference with bondholders' rights, such as the repudiation of contracts by the Ontario Hydro-Electric Power Commission, and more recently the movement, sponsored by several provincial premiers, to force a reduction of interest rates on government obligations." An underlying cause of longer duration, it is stated, is the growing confidence of the investing public in the future of Canada.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Matapedia Val. L. & Pr.	6½%	1944	Feb. 3	102½
Ham. By-Prod. .	7%	1943	Feb. 1	102
Mt. Royal Tunnel	5%	1970	Apr. 15	100
Eaton Realty ...	5%	1949	Feb. 1	100
Lincoln Pulp ...	7½%	1942	Feb. 1	103
Georgetown C. Pap.	6½%	1947	Feb. 1	102
Gartshore-Thom. Pipe	6½%	....	Feb. 1	102½
United Amuse. ..	6%	1942	Mar. 1	103
Mtl. Pr. Cons. A	5%	1951	Apr. 1	104
Paton Mfg.	6%	1953	May 1	103

Stocks Issues:	Rate	Stock	Date	Price
Can. Dredge & D.	7%	Pref.	Jan. 31	107½
G. Tamblyn† ..	7%	Pref.	Apr. 1	110

†$150,000 drawn by lot for sinking fund purposes.

PATON REFUNDING MORTGAGE BONDS SAVES INTEREST

From Our Own Correspondent

MONTREAL.—An issue of $700,000 of 4½ per cent first mortgage sinking fund bonds of the Paton Manufacturing Co., publicly offered by Kerrigan, MacTier & Co., has been sold. This represented a refunding operation, and the proceeds of the issue will be used by the company to redeem an equal amount of first mortgage bonds on May 1 next.

Particulars of the issue follow:

$700,000
Paton Manufacturing Co.
First Mortgage 4½% S. F. Bonds

Dated: Mar. 1, 1936 **Mature:** Mar. 1. 1956

Principal and interest payable in Canadian funds; redeemable at 104 during the first five-year period from March 1, 1936 and thereafter at a declining premium of 1 per cent in every subsequent five-year period prior to maturity.

Capital:	Authorized	Issued
1st mtge. bonds	$1,000,000	$700,000
7% cum. pref. stock	600,000	600,000
Common stock, (no par vlaue)	10,000 shs.	10,000 shs.

Company: Engaged in the manufacture of woollen and worsted goods, blankets and rugs. Mill is located at Sherbrooke, P.Q.

Security: Bonds will be secured by first, fixed and specific mortgage on all real and immovable properties and rights of the company and by a first floating charge on its undertakings and all other assets.

Sinking Fund: Estimated to be sufficient to retire at least 60 per cent of the issued bonds at par at maturity.

Earnings: Average annual net earnings available for interest, income and profit taxes, after providing for depreciation, for the last ten and last five fiscal years were $110,604 and $98,779 respectively. On the basis of the first six months of the current year it is estimated that interest charges for the full fiscal year will be covered 3.17 times.

Offered: Kerrigan, MacTier and Co. Ltd., Montreal, at 100 and accrued interest.

VANCOUVER HAS LARGE SHORTAGE IN SINKING FUND

Current Borrowings and Debenture Debt Show Increase

Lower revenues and increased current borrowings and debenture debt in 1935 are reported by the Vancouver finance committee.

Current borrowings are up $380,631 at the end of 1935 as compared with the previous year. Bank loans for current purposes, less cash on hand, amounted to $1,407,988 at Dec. 1, 1935. In addition, however, $600,000 had been borrowed from capital funds, bringing the total to $2,007,988. At the end of 1934 borrowings for current purposes were $1,627,356.

In addition, the city has a loan of $4,880,340 from the Bank of Montreal against unissued debentures of $5,261,727. This loan is approximately the same as at the end of 1934.

Debenture Debt Higher

Gross debenture debt increased by over $1 million during 1935. During the year, maturing debentures to the value of $407,046 were paid off, $341,046 being paid from sinking fund and $66,000 of serial bonds from general funds. Baby bonds of $1.5 millions were sold locally.

Sinking fund, according to the report, is short $8.5 millions. The cost of securities in the sinking fund as at Dec. 31 last was $16.2 millions and the face value $18.1 millions. None of the securities held are in arrears either as to principal or interest. No sinking fund payment was made in 1935.

Revenue declined slightly in 1935, amounting to $13.7 millions as against $14 millions in 1934, due chiefly to reduced tax levy. The 1934 figure includes an item of $204,015 for taxes paid by the city on property reverted at tax sale so that the actual reduction is small.

Tax Collections

Collections of current taxes and arrears of taxes were both lower than in 1934. Lower current taxes are entirely due to reductions in the assessment and in the mill rate. The percentage collection of current levies was actually higher, being 79.53 per cent for 1935 as compared with 71.55 per cent in 1934.

The falling-off in collections of tax arrears arose from two causes, first, the consolidation of tax arrears, payment being extended over six years; and second, the decision of the city council not to hold a tax sale.

Comparative figures follow:

Income and Assessment
Year Ended Dec. 31

	1935 $	1934 $
Total revenue	13,733,766	14,000,599
Current taxes paid .	8,803,219	8,588,954
Tax arrears paid ...	1,951,397	2,506,544
Assessed value for taxation	250,530,428	254,971,653
Amount of levy	11,069,492	12,004,700
Debt		
Gross debenture debt	72,803,573	71,710,620
Sinking fund	*16,262,842	......
Sink. fund shortage	8,548,000	7,028,956
Bank loan for current purposes .	2,007,988	1,627,356
Secured bank loan▲	4,880,304	4,880,304

▲Borrowed against unissued debenture issue of $5,261,727, which is included in gross debenture debt.

*Represents cost of securities. Face value amounts to $18,124,486.

Unpaid Taxes		
Tax arrears	7,869,634	7,780,838

ENGLISH ELECTRIC 1935 OPERATIONS ON BETTER SCALE

From Our Own Correspondent

MONTREAL. — English Electric Co. of Canada's operations last year are reported to have been on a more satisfactory basis, with bookings carried into the current year showing a substantial increase.

Recently the company secured exclusive Canadian rights to manufacture and sell a new type of electric tubular illumination, known as "Barlux." This illumination has been widely used in England and the Continent during the past few years.

The company's plant for the manufacture of this lighting product commenced operations in St. Catharines in September last and since that time has been working at full capacity.

The Barlux illuminant has been used on the French liner Normandie and the new Cunard White Star liner Queen Mary. In addition the public space in the new head office of the Imperial Bank in Toronto, has been illuminated with this type of tubing.

Bond Sales

Parish of St. Roch

Parish of St. Roch, Que., has sold $100,000 of 4 per cent 1936-1950 bonds to Credit-Anglo Francais Ltée at a price of 98.43. The bonds are secured by all properties of the Catholic free holders in the parish. The bonds will be offered at par to yield four per cent.

St Genevieve de Pierrefonds

St. Genevieve de Pierrefonds, Que., has sold an issue of $25,000 of 25-year serial bonds to Credit-Anglo Francais Ltée. at 99.437, a cost basis of 4.05 per cent.

Glace Bay

Glace Bay, N.S., has sold two issues of five per cent bonds, totalling $45,000, to W. L. McKinnon & Co., Toronto. An issue of $30,000 is due in 1955 and an issue of $15,000 in 1950.

Prince Edward Island

Prince Edward Island has sold $350,000 of three per cent bonds, due Oct. 1,1945, to a syndicate composed of A. E. Ames & Co., Dominion Securities Corp., Wood, Gundy & Co., and Eastern Securities Corp.

ETIENNE PARISH MONEY TROUBLES BRING LAWSUITS

Parish's Over-borrowing Leads to Unusual Situation in Quebec Courts

From Our Own Correspondent

MONTREAL. — Financial affairs of the Parish of St. Etienne, Montreal, are again being aired in the Montreal courts.

The troubles of the parish are due to over-borrowing, the total outstanding debt of the parish amounting to $617,000. The priest in office up to 1931 was authorized to borrow up to only $125,000 and apparently exceeded that amount.

Over a dozen judgments have already been rendered against the parish in favor of unpaid creditors, one creditor going to the extent of placing a seizure upon the church building. The seizure is, however, being contested by the church priest and wardens, at the hearing of the case next month.

Take Collective Action

Meanwhile parochial creditors have summoned the Archbishop of Montreal and the Roman Catholic Archepiscopal Corp. to the Superior Court to answer claims for $261,939, which amount was lent to the parish some time ago and is still unrepaid. It is claimed by the creditors that the Archbishop and the corporation were negligent in not exercising more rigid control over administration of the parish.

The present action is being taken on behalf of six creditors, representing, it is said, eighty creditors in all who have transferred their claims to the six plaintiffs.

Their suit is directed formally against the priests and wardens of the Fabrique of the Parish of St. Etienne, the Roman Catholic Archepiscopal Corp. of Montreal and the Archbishop Coadjustor of the Roman Catholic Diocese of Montreal.

CANADIAN HYDRO DEFERS DIVIDENDS ON SENIOR STOCK

Lack of Contract With Ontario Hydro Causes Directors to Act

From Our Own Correspondent

MONTREAL. — Canadian Hydro-Electric Corp., controlling Gatineau Power Co., has deferred regular quarterly dividend payment on its first preferred stock because, it is understood, the company is delivering power to Ontario Hydro without a contract.

Action on the dividend, therefore, has been held up until the new Ontario Hydro contract has been finally aproved by the Ontario legislature.

In view of the difficulties between the power companies and Ontario Hydro the dividend on Checo's first preferred was by no means assured, but the market value of the stock indicated that investors were of the opinion that the dividend might be reduced until the situation cleared up.

Precautionary Measure

Passing of the dividend is a precautionary move by the management until such time as it is possible to see how the Ontario Hydro business will shape up.

Canadian Hydro has outstanding $12,500,000 of six per cent first preferred stock held by 6,792 shareholders at the end of 1934. This stock was offered to the public in December 1927 by Drury and Co. and Dominion Securities Corp. at 97½ and accrued dividends. Dividends have been paid regularly ever since.

Affect I.H.E. System

Passing of the dividend on the first preferred is a blow to International Hydro - Electric System, which owns all the second preferred and common stocks. It means that for the time being the system will receive no dividends on its holdings. Since 1931 Canadian Hydro has paid nearly $2 millions annually to the system on its holdings of second preferred and common.

The set-back to International Hydro - Electric System will not affect the position of International Paper and Power Co., as the latter wrote off its investment in the class B and common stocks of the system, and, at the same time, segregated the system's accounts from its own.

Gas Franchise Sought From North Battleford

From Our Own Correspondent

REGINA, Sask.—Withers & Co., of Regina, has placed a proposition before the North Battleford council for the expenditure of from $1.5 millions to $2 millions in the laying of a gas line from Lloydminster to North Battleford.

The company's proposal provides for use of local labor and judging from what was placed before the council is the start of a project that may eventually take in Saskatoon and all the territory along the pipe line route.

Company officials claim to have sufficient acreage in their holdings in the Lloydminster field to supply the system indefinitely.

Listed Bonds

Week Ending Jan. 25, 1936

	Int. rate	Due	High	Low	Range 1935-36 High	Range 1935-36 Low
Mtl. L. H. & P. Debs.	3	'39	50½	50½	50½	46
Mtl. Trans. A	5	'55	87	..	87	75

Bond Tenders

12 noon, Jan. 31—Dominion of Canada—$30,000,000 treasury bills dated Feb. 1, 1936, payable May 1, 1936. Bank of Ottawa, Ottawa.

Weekly Record of Financing in Canada

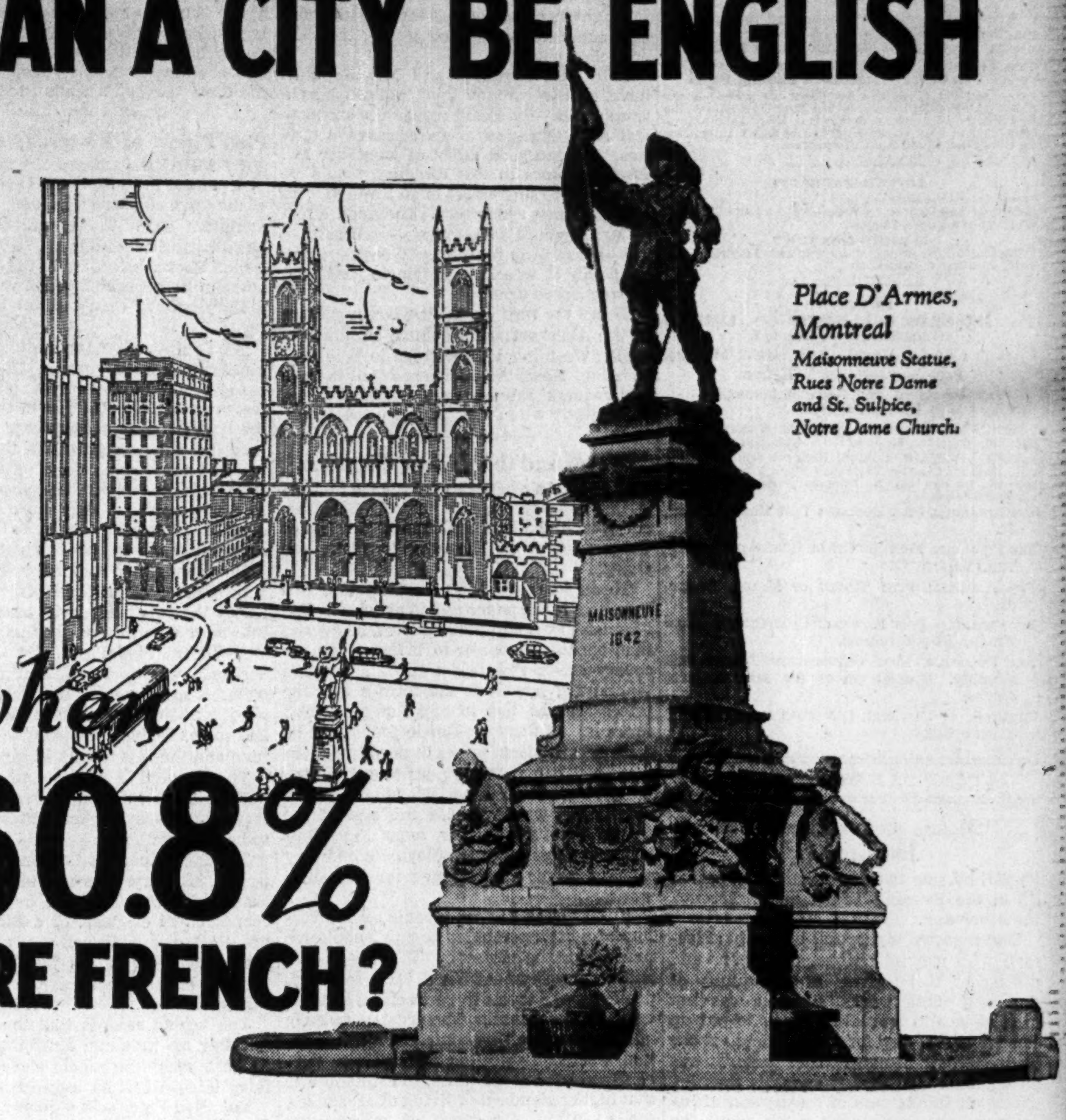
SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Glace Bay, N.S.	Jan.	W. L. McKinnon & Co.	5% 5%	1955 1950	$30,000 15,000	....	....
Oakville, Ont.	Jan.	F. L. Craig, Toronto	....	....	6,000	103.86	.....
St. Genevieve de Pierrefonds, Que.	Jan.	Credit Anglo-Francais	4%	25-ser.	25,000	99.437	4.05%
St. Roch, Parish of	Jan.	Credit Anglo-Francais	4%	1936-50	100,000	98.43	.....
Provincial—							
Prince Edward Island	Jan.	A. E. Ames & Co., Dominion Securities, Wood, Gundy & Co., Eastern Securities Corp.	3%	1945	350,000	*100	3%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Paton Manufacturing Co.	Jan.	Kerrigan, MacTier & Co.	4½%	1956	$700,000	100	4½%
London Gospel Tabernacle	Jan.	Premier Trust Co.	6%	1955	15,000	.....	.....

*Offering price.


Place D'Armes, Montreal
Maisonneuve Statue, Rues Notre Dame and St. Sulpice, Notre Dame Church.
MAISONNEUVE 1642

CAN A CITY BE ENGLISH when 60.8% ARE FRENCH?

"Prenez Garde" sings out the conductor on the Montreal street car. He is not trying to be highbrow. He is issuing his warning ("Take Care") in the language which conveys its message quickly and surely to most of his passengers.

The ticket you drop in the fare box is printed in **French and English** — so is your transfer. As you speed along Rue Notre Dame to Place D'Armes, you note the street names and signs on stores in French and English — hear French spoken around you — see French newspapers in passengers' hands.

Alighting at Place D'Armes, you are in the heart of Montreal's financial district, (close to the offices of La Presse). The bells of Notre Dame Church speak a language all understand, but the written and spoken word is in two languages — **French predominating.**

Foreign? No, Montreal is British to the core, but no one who knows anything of Canada's metropolis beyond the few blocks close to the railway stations and hotels, would think of Montreal as a one language city.

The highest proportion of FRENCH in any one district is 81.5 per cent — the lowest is 29 per cent FRENCH.

The FRENCH speaking market is half as big again as the English speaking market. And it buys, in the main, just the same kind of goods.

Before Madame la Canadienne asks for a specific brand, she must know about it, and she cannot really know about it unless she is told in the language she can grasp!

Some manufacturers have a totally mistaken idea that money is only English speaking. **Language has nothing to do with money.** Suppose a grocer here in Montreal would serve only English speaking customers! Six out of ten people would walk out of the store empty-handed — and never come back.

•

But no merchant would be so short-sighted. He is there to sell goods — in whatever language the customer speaks. The dealer knows his business and his locality, where from 40 to 90 per cent are French.

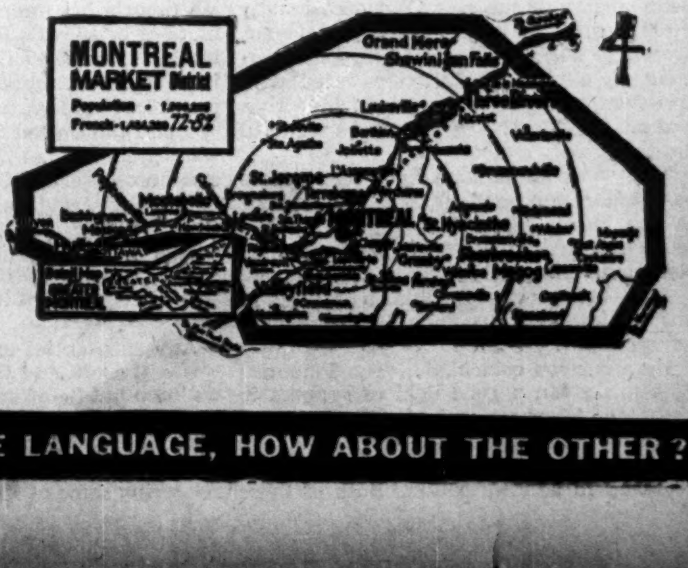
It isn't a question WHICH group of customers. **For every well-to-do English family, there is a well-to-do French family.** There are English working class families and French working class families. And in both languages there are plenty of families in between, so that the manufacturer cannot begin to cover the market and all its sales possibilities unless he tells his story in both languages.

And this metropolitan city of 1,018,124 with 60.8% French, widens out, with the surrounding urban and rural centres, into the compact **Montreal Market District, with nearly TWO MILLION people, 72.8% of whom think, read, speak and buy in FRENCH.**

MONTRÉAL MARKET DISTRICT
1,996,255 Population - 72.8% FRENCH
WITH AN ANNUAL BUYING POWER OF $564,000,000.00

This FRENCH market responds excellently to sales and advertising plans fitted to its needs. Intelligent sales effort and organization backed by adequate advertising will make this French reading market yours!

For full information on marketing conditions write the Business Manager, LA PRESSE, (Canada's French National Newspaper), Montreal, or
S. L. Rees, 213 Metropolitan Bldg., Toronto, Ont.
The Clougher Corporation Limited, 26 Craven St., London, W.C.2.
William J. Morton Co. { New York Office: 309 Fifth Ave. Chicago Office: 318 N. Michigan Ave.



YOU MAY BE STRONG ENOUGH IN ONE LANGUAGE, HOW ABOUT THE OTHER?

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS

Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

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The detailed circulation statement we submit is the sworn statement of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

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TORONTO, FEBRUARY 1, 1936

"Means and Affluence" as Job Creators

SIDE by side two news articles appeared in the Evening Telegram, of Toronto, the other day.

One reported a proposal by a city alderman who wanted citizens of "means and affluence" to be given an opportunity of financing public works. His idea was that men of wealth would be happy to put up the money to pay for bridges, etc., if the bridges would be named after them. It was an original idea, but it suggests that the alderman thinks men of means and affluence are not doing very much about the unemployment problem.

The other article reported the death of Noah A. Timmins. It described him as one of Canada's "greatest financial figures and a man who literally poured millions into the development of Canada."

Mr. Timmins was one of many constructive builders of Canada. There was no mere luck in his achievements. Had he developed but one mine that might fairly have been said of him. But he and his associates brought many mines to success and thus added tremendously to Canada's wealth and created an enormous volume of employment. And instead of being placed on a public park or a bridge, his name was given to a whole city.

If the Toronto alderman would throw his influence into the creation of conditions fair and encouraging to private development, there would be no need for men of "means and affluence" to donate public works in order to create employment. Such men have created more wealth and more employment in Canada than all the politicians put together, and they can do it again. The only reason we are so slow to solve our unemployment problem is that the political and taxation problems that are being put in the way of enterprise and development in Canada have risen so high they have become almost insurmountable.

Just What Is Advertising?

THE Ontario Liquor Commission recently forced a brewing company to withdraw a calendar. The reason was that the calendar showed pictures of the Dionne quintuplets. The province, as guardian for the Dionne babies, thought they ought not to be displayed on a beer calendar.

It is significant that the calendar was not banned because it advertised beer, but because it used the quintuplets for that purpose. There is supposed to be a law against liquor advertising, and it is strenuously enforced against publications. Yet the province is flooded with calendars, cigarette lighters, ash trays, golf tees, etc., advertising liquor. At Christmas time, citizens received circular letters asking them to buy a certain type of Scotch, and they were given a label to paste in their permit books. There is plenty of slightly veiled liquor advertising going over the air from Ontario radio stations.

Advertising, advertising everywhere except in publications employing workmen of the province that bans such advertising.

Aberhart and Hepburn

AT THE present time probably half of the letters received by The Financial Post from its readers, in which comment is made on the policies of this newspaper, are written to express approval of our attitude toward Premier Aberhart's Social Credit programme and Premier Hepburn's contract repudiation. The other letters deal with a wide variety of subjects. But occasionally there is criticism, which is always welcome, especially when it is logical, reasoned comment on our policies. Letters filled with truculent abuse or unsupported invective, and unsigned by their writers, are read but not taken very seriously.

This week a merchant in Alberta wrote us to tell us that he thought we had sold out to the big bankers. We gather that he felt we were unfair to Mr. Aberhart in our comments on Social Credit.

Another merchant in Ontario objected to our "unfair" attacks upon Mr. Hepburn's government.

By a curious coincidence, The Financial Post has given a good deal of support to both Mr. Aberhart and Mr. Hepburn for some of their expressions of opinion and certain of their actions in the direction of economy in administration. Both of these premiers have gone further in reducing the out-of-pocket expenses of government than their predecessors even attempted to go. For this, they are to be commended; and commended even by those who reserve the right to come back at them if they add new expenses as great or greater than the ones they cut off.

Both Mr. Aberhart and Mr. Hepburn have at the core of their philosophies a simple and very sound regard for economical administration of government activities. But the good effect of whatever Mr. Aberhart does in this direction would be destroyed by any effort to go through with his monetary tomfoolery. The good effect of Mr. Hepburn's economies—such as they are—his already been largely destroyed by his policy of wrecking provincial credit by tearing up contracts.

That's the way we see the larger picture of the Aberhart and Hepburn administrations. We think we see them in true perspective. Nevertheless we are glad to have our readers express their views frankly, particularly when they think we are wrong.

Wages and the Railway Problem

IS THERE a conspiracy of silence regarding railway wages? C. W. Peterson, editor of the Farm and Ranch Review of Calgary, does not hesitate to make the charge.

Throughout the depression years, Mr. Peterson, in his paper and in articles in The Financial Post and other papers, has urged that one of the ways to bring about recovery was to restore equilibrium between the buying power of the farmer and the prices that he has to pay for goods and services. As there was little that could be done to bring farm prices back to their former level, one of the obvious remedies seen by Mr. Peterson was to lower *hourly* wage rates. This would reduce the cost of the things that the farmer must buy, thus bringing about larger employment and very quickly larger *total* wages for industrial workers.

Mr. Peterson has produced a second edition of a little pamphlet he published some time ago on the subject of "The Wage Level and Its Employment Yield." He considers present wage levels to be in effect a strike against the consumer. The greatest tragedy of unemployment, he contends, is the criminal waste of priceless man power, "urgently needed at all times, to contribute to that higher standard of living of all classes, easily within the reach of present-day civilization."

In applying his argument to the railways, he says:

> "The remedy for the desperate straits of our railroads is not higher rates, meaning higher commodity prices and further restricted trade, but a sane wage bill substantially reducing operating costs. . . . . The present conspiracy of silence on that vital issue demonstrates clearly the futility of any hope of efficient management of government-operated utilities employing a large personnel with enormous political influence."

The view is important, representing as it does the opinion of one leading farm spokesman on the railway problem.

Closer to the People

THE Brockville Recorder-Times thinks that relief administration in the smaller centres is in the main economically conducted without the abuses that have shown up in the larger centres. It makes this point by way of comment on The Financial Post's recent protest against the racketeering that has crept into relief in Canada.

The Brockville newspaper says:

> "Whatever may be the situation in the larger centres of population (and it is not to be denied that abuses have made and are still making their appearance), the criticism of the Toronto publication cannot be said to apply generally to small places, where it is the constant aim of relief organizations, which are subject to regular provincial inspection, to see that only deserving cases receive relief and that the utmost return is received for expenditure of the relief dollar. In many of these places, relief investigators and other officers serve without emolument and form the liaison between municipal councils and the unemployed with the object of paring relief expenditures to the minimum. We believe that on the whole they are performing a very good job and that political or other unworthy considerations are of little or no influence in determining who shall or shall not receive the benefits of relief distribution."

That there is some merit in this contention is shown by the fact that about 50 per cent of the relief payments are being made in the larger cities than have only about 25 per cent of the population.

Relief is not the only public expenditure that is better administered in the smaller centres than in the larger ones. The record of the smaller towns and rural communities in municipal finance is better on the whole than that of the urban and suburban communities. The county council is closer to the taxpayers. Residents of these communities choose men whom they know intimately to handle local affairs and they exercise greater vigilance in watching what they do. As governments grow they lose their close contact with the people and graft and inefficiency creep in.

Toward Commercial Freedom

FRANCIS W. HIRST, a leading financial editor, of London, spent several recent weeks in the United States in an attempt to size up the business and financial outlook. He reports his impressions in the current number of Lloyd's Bank Review. Of particular interest to Canadians is the great importance attached by Mr. Hirst to the reciprocal trade agreement between Canada and the United States. He says that it was predicted at Washington that the commerce over the Canadian border would be doubled. And he adds:

> "This may prove an exaggerated estimate; but it is no exaggeration to say that the treaty is the biggest step toward commercial freedom that has been taken by any two nations since the Great War."

Any substantial expansion in trade between Canada and the United States cannot help but be of value to both countries. Too often in international trade negotiations the view is held that the country that buys from another country is thereby surrendering some of its wealth or its income. But when trade is looked at in a clearer light and is seen as an international exchange of labor that would otherwise be idle, it stands out more clearly as a way of enriching both parties in the bargain. Trade is not promoted between two countries when each has an excessively high tariff. Nor can it be greatly stimulated by one country cutting its own tariff while the other leaves its walls as high as ever.

Pied Pipers of Yesterday and Today

WE HAVE all heard the immortal tale of the Pied Piper of Hamelin. It tells of the town children who were lured to the mountain side. There, according to the quasi-historical accounts, 136 of them perished. There, according to the Walt Disney version, they were all made very happy in a fairyland of candy sticks and wooden toys.

That's the end of the story. But the beginning is more important. There was, our readers will recall, a great depression in the town of Hamelin due to the failure of the harvest. The people were much bothered by rats. Apparently they had not worried much about them until famine hit the town. But when there was not enough food to go around, they were worried and decided something ought to be done to exterminate their rodent enemies.

No doubt, they had many long debates. Any number of brilliant plans for getting rid of the rats must have been suggested. The man who finally got the job was the well-known Pied Piper. He offered them a simple way to solve their problems—a panacea so to speak. It involved no hard work and no very great expense. All he had to do, he told them, was to pipe a little tune and the rats would disappear.

They would not have to clean their houses. They would not have to pass sanitary regulations nor set rat traps. All was to be done for them.

The Pied Piper got the contract from the people. History does not tell us who the Pied Piper was; whether he was a radio economist in disguise, or a Bible institute preacher, or a chairman of a price spreads committee, or perhaps just a plain ordinary everyday politician or university professor.

The legend records that the Pied Piper did play his tune and did remove the rats. At that point the whole story becomes a fairy tale—albeit an interesting one.

The Pied Piper was a quack and a fakir. He offered a substitute for good housekeeping when there could be no substitute outside of fairyland.

There are plenty of modern Pied Pipers who are trying to divert our attention from sound national housekeeping methods with promises of a perfect world to be attained through musical economics.

Editorial Notes

The staff punster suggests as the slogan for the new Dominion home-building campaign, "House Your Old Man!"

* * *

The unanswered question in international affairs remains. Will the Dove of Peace hatch world recovery or is recovery the egg from which Peace must come?

* * *

We are still waiting for some of the newspaper reporters who visit the Dionne quintuplets to answer several questions that are still in our mind. For instance: Do the quints pay income tax on the money that pours into their trust fund? Do they make charitable donations to other children less fortunate than themselves? Have the trustees bought any Quebec power bonds, whose interest payments are insured by contracts with the province of Ontario, which appointed their guardians?

Sayings of the Week

"Happy lives never made history."—*George Barton Cutten.*

* * *

"Only fools fear crime; we all fear poverty." —*George Bernard Shaw.*

* * *

"Talent without energy is like a steam engine without steam."—*Sir Ronald Ross.*

* * *

"In politics nothing is so dead as yesterday."—*Fiorello LaGuardia, Mayor of New York.*

* * *

"Inefficiency is the fool and waste is the knave. Both are bad eggs."—*Roger Babson.*

* * *

"No democracy can live where opposition views are not tolerated."—*Stanley Baldwin.*

* * *

"I attribute my long life to having been extremely considerate of my stomach."—*Daniel Frohman.*

* * *

"History finds no nation really worth while except when it builds its own monument."—*Adolf Hitler.*

* * *

"The highest possible real wage is the necessary accomplishment of mass production."—*Herbert Hoover.*

* * *

Of all the continents, Antarctica is the fairest, white and unspoiled, spacious and austere, fashioned in the clean, antiseptic quarries of the Ice Age."—*Admiral Byrd.*

* * *

"Ultimately, I believe, the very instrumentalities which the dictators possess will destroy the dictators."—*David Sarnoff.*

* * *

"Courage is not a muscular but a moral virtue. A form of courage is to withstand public opinion."—*Cardinal Manning.*

* * *

"Since democracy has come to embrace all classes and both sexes, the enthusiasm for it has diminished."—*Bertrand Russell.*

* * *

"We are no longer inclined to feel that if something is foreign and unintelligible it must be good."—*Lawrence Tibbett.*

* * *

"Advertising has its faults. If it encourages men to live beyond their means, so sometimes does matrimony."—*Bruce Barton.*

* * *

"There is a difference between Mussolini, who does not believe in everything he says, and Hitler, who does."—*Emil Ludwig.*

* * *

"The world of the future will not live in houses, but in the sides of air-conditioned hills, beautiful and spacious."—*H. G. Wells.*

* * *

"America is being steadily driven to closer and closer co-operation with Europe, both economically and politically."—*Viscount Cecil.*

"Courage is not a muscular but a moral virtue. the world. There is only one thing I can think of more dangerous — not to change."—*Harry Emerson Fosdick.*

Governments Now Obligated To Do Their Share

St. Catharines Standard

It is fairly well agreed among the tax-paying fraternity of this province, and it is a large one, that with the increased taxation of the last year and with more coming in 1936, by and large, citizens who enjoy the climate of Ontario are doing their share to keep the ship of state going. The question is a very pertinent one in this stage of affairs in Canada, and in Ontario in particular, if it is not strictly up to the government to do its part. There is only one way to do it and that is by drastic economies and reduction in the ordinary overhead of government costs. The lower interest problem does not compare in importance or in saving effected with the general one covering all government expenditures.

The Financial Post has some pertinent remarks to make this week anent the situation:

"The new revenue provides an opportunity to achieve a genuine budget balance in Ontario. The missing link is the economy programme of which little has been heard for some time.

"Even balancing the budget will not be enough if there is no reversal of policy on other matters.

"Action will have to be taken sooner or later to repair the damage done by the Roebuck policy of repudiation of Hydro contracts."

There is every reason to believe that if the Ontario government plays its part in the same way generally as would any large private corporation and brings into being a thoroughly economic administration all round, there would be a patriotic response from people who hold bonds and are creditors of the government. There is no reason to think that the same "equality of sacrifice" would not be forthcoming in Ontario as it was in Australia and in the United Kingdom whereby the annual debt charges could be appreciably reduced. But until this sacrifice is asked for, the people have a right to expect better economy performance on the part of all governments in Canada, Grit or heretic.

Ontario people will not make sacrifices to sustain any government which perpetuates a vicious patronage system, depending upon jobholders as an organization to perpetuate itself in power. When Mr. Hepburn hurled his withering scorn and invective at the Henry government in this regard, he was right. The people supported him and trusted him to carry out his promise of reducing the cost of ordinary government by half in this province. Something like that even now would soon put Old Ontario forty jumps ahead of every other province in the Dominion.

As Others See Us

Ontario's Hepburn

Pembroke Bulletin

The Financial Post of last week contained a leading article in which Premier Hepburn is pictured as the leader of a radical Liberal group. It would appear that Ontario's Premier does not rank high in the estimation of Premier King, the cabinet ministers from Quebec, nor the cabinet ministers from Ontario.

All the same this young gentleman has ideas of his own about the way to place the country upon its feet. He would sacrifice the individual to save the country. He did not bat an eye when he repudiated the power contracts with Quebec, and it would not cost him much sleep to repudiate all the bonds of the province, that is calling them all in and issuing other bonds of the same denomination bearing three per cent interest. It would make a great showing for the province, but would entail hardship, even distress, among tens of thousands of bondholders. After the province would thus get its low rate of interest—saving many millions each year—would there be any guarantee that it would not again plunge into debt the same as before?

Railways and Country

Montreal Herald

The principal feature of the session of Parliament which is to open on February 6 undoubtedly will be the Budget to be presented by Hon. Charles Dunning, and the nature of the colossal task which confronts him in his efforts to make the national accounts balance is indicated by his recent statement that in the five-year interval since he was forced by circumstances over which he had no control to vacate the office temporarily, the national debt had been increased by $900,000,000.

That, despite the crushing increase in taxation.

Talk as we like about the high cost of unemployment relief—and it has been high—the fact remains that were it not for the drain on the Treasury by the State's adventure into the private ownership of railways the Budget would have been balanced right through the depression.

This railway problem is one that has got to be solved sooner or later.

We have the report of a Royal Commission telling us how the problem can be solved.

There is no need for further investigation. We know from that report exactly what the troubles are and we know the remedies for those troubles.

The Bennett Government made some attempt to solve the problem, but its actions were like those of the weak-kneed preachers whom Bishop Warren, of the Methodist Episcopal Church, once reproved. He said there were some parsons who went about the conversion of sinners in this style, "Brethren, you must repent, as it were, and be converted, in a measure, or you will be damned to some extent."

This kind of attitude towards our greatest debt-producing problem is not good enough. We must get down to the roots of it, for as The Financial Post says, debts and the consequent taxes are making government in this country the biggest of the combines in restraint of trade.

In the Mail

Gold and Commodity Prices

Editor, The Financial Post:

Your issue of December 14 brings an article which interested me to an exceptional degree: "Gold Prices and Tomorrow." Wilfrid Sanders. After stating that debasing the currency should raise the price of commodities, Mr. Sanders remarks that this theory "has worked out in the past, but when Roosevelt tried it, and wrote up the price of gold to $35 per ounce, commodity prices did not rise in proportion."

May I venture the suggestion that there is a good reason why the theory did not work in this case, namely, that the gold was withdrawn from all real relation to both commodities and currency. Gold was withdrawn from circulation as currency, but it was also prohibited as private property. It was thus taken out of any effective relation to both commodities and currency, and the dollar continued to circulate valued in relation to commodities and to public confidence. Had it been possible to exchange paper dollars for gold and vice versa at the new valuation, the effect of the devaluation would have been felt in commodity prices at once. But this would have given a premium to some of the prudent who save and exercise forethought, which in these days is inadmissible.

It seems to me also that this factor has a bearing on the "tomorrow" element in your article. It is there pointed out that past periods of deflation ended with the discovery of new gold. New discovery or new development is now with us in several parts of the world. But in some gold producing countries the yellow metal may go into the Central Bank, thus increasing the note circulation, the ratio of gold behind the currency, the price of goods and property, and the demand for foreign drafts, and this last will push up their exchange rate, so affecting the export trade of these countries, and further interfering with international trade. It would seem therefore that the liberation of gold would become a necessity.

But I should be greatly interested to see any discussion of this element in the present situation.

CURIOUS.

Peru, S.A.

The Imperial Navy

Editor, The Financial Post:

The January issue of "Review of Reviews," of New York, in a leading article says, on page 51, "that the old-fashioned British navy is basically unsound, and has been shipped into the Mediterranean badly under-equipped; that the British would do better to withdraw their entire fleet from the Mediterranean, and park it safely in Scotch home-waters."

In view of the foregoing critical judgment by a leading publication respecting the British navy, should not Canada take heed, and make necessary preparation to defend her own coasts—all the more necessary as her migration policy invites attack by countries in need of colonies and space for homes for surplus population?

MALCOLM CAMERON.

Finds Post Useful

Editor, The Financial Post:

As a reader of your valuable paper, I want to say just how much I appreciate the information gleaned therefrom.

I would like to refer particularly to the excellent article appearing in your January fourth issue by L. J. Salter. This was a review of the furniture industry and was most instructive and enlightening. Articles of this nature are very much appreciated by the investing public and enable one to gauge exceedingly well the trend in certain industries.

Wishing you continued success in your endeavors to bring the true business situation in Canada before your readers.

S. J. COOK.

Vancouver.

Other People's Views

Doing Very Well

The Globe, Toronto

At the annual meeting of the Bank of Nova Scotia the general manager stated that in 1935 the bank paid $1,160,000 in taxes and $1,440,000 in dividends. Yet there are people who claim the public could get more out of the banks by owning them. The various governments seem to be doing about as well as the owners already.

Gentlemen, Be Fair

Port Jefferson (N.Y.) Record

It is every publisher's privilege to support or to oppose that which he thinks should be supported or opposed.

But no publisher has the right to befog the issue, or to delude the people as to what is the real right or wrong of a thing just because such delusion lends itself to the trend of the average desire or because it temporarily increases circulation.

Race and Public Service

New York Herald-Tribune

Like Disraeli, Lord Reading gave strong proof of what only the Nazi Germans have been blind and prejudiced enough to deny: that neither racial nor religious affiliations are a bar to untiring service to the state. Great Britain, by giving these two men high posts in the peerage, recognized their devotion and ability with the highest rewards the empire could give. The fact is at the same time a tribute to the individuals and an honor to the British nation.

Stop Me If You've Heard This One

Driving home from Madison, H. F. Bibby, Beaver Dam, Wis., stopped to give a thumbing hitch hiker a ride.

"Got a radio in your car?" asked the hiker as Billy opened the door.

"No, I haven't," said Billy.

"All right, thanks," the thumber said, returning to the side of the road, "I will wait for the next one."

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Metropolitan Bldg., Toronto.
Consulting Actuaries
Sidney H. Pipe, F.A.S., A.I.A., F.A.I.A., President

Abitibi Power & Paper Company, Limited

TORONTO, ONT.

Owning and operating mills at
Beaupré, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
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Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

46th ANNUAL REPORT

1935 Shows Decided Upward Trend for The Excelsior Life

OPERATING only in Canada (but with 42 Branches and Agencies from Sydney to Victoria), the 1935 business of The Excelsior Life Insurance Company reflects still better Canadian business conditions as well as the results of the progressive, forward-looking policy of this Strong Canadian Company. *Look at the following figures:*

New Insurance 38% Higher Than 1934 Total
(Paid-For Basis)

Total Insurance Increased
to
$92,313,319.48
at December 31st, 1935

Gain in Assets to $20,167,180.69
the highest in history of the Company

Payments to Policyholders
During 1935 totalled:
$2,114,521.57
76% to living Policyholders

FEATURE POLICIES FOR 1936!
The "PERSONAL PENSION" (Retirement Income) and the "FAMILY INCOME PROVIDER"—both in "units" and at low rates.

The EXCELSIOR LIFE
ALEX. FASKEN, K.C., President
A. C. GALBRAITH, General Manager
42 Branches and Agencies in Canada
From Halifax to Victoria
A STRONG CANADIAN COMPANY

Week in Business

Weather and Mourning Affect Business

* * * *

Construction Future Not Yet Certain

* * * *

Bonus Bill Highlight of U.S. News

Extreme cold has had an important effect on January business. Western cities, notably Regina, report retail trade hampered by the temperature while a considerable part of Ontario spent many days digging itself out from heavy snow, with communications (which means in effect—trade) completely cut off at many points. Though low temperatures and blizzards mean few shoppers they mean also improved sales of winter clothing, sports goods and similar lines.

Slower business tempo is reflected in a poor showing of freight carloadings to date this year. The lag in merchandise and miscellaneous loadings is particularly noticeable.

Another important factor has been the death of George V with its consequent disturbance to business in many lines. The unexpected holiday in January will mean a day less production and sales for practically every type of business in the Dominion which will be reflected in the month's totals. Certain types of business feel this more than others, notably those associated in any way with social functions, catering and so forth where widespread cancellations were in order. A momentary flutter in textiles occurred in most centres where black and purple drapes were immediately at a premium.

* * * *

Important meetings were held this week by key groups in the building field. Thus the annual meeting of the Canadian Construction Council at Hamilton was followed by a round table discussion at Ottawa between delegates from the National Construction Council and two key ministers—Hon. Charles Dunning and Hon. Norman Rogers.

Both the government and the industry are equally keen to get wheels rolling again in this major group but no one seems to know just how it is going to be done. The government is apparently determined to give the present Housing Act a thorough workout and is not going to be hurried into important legislative changes until it is sure of its ground and sure that the present act is unworkable. Residential housing of course is the focal point of these discussions as being the field offering the greatest opportunity for immediate revival. Threat of present and continued heavy taxation from municipalities is conceded as a major problem to be faced.

* * * *

Outside the domestic field the major event of the week was perhaps the expected passage of the Bonus bill in the United States. This seemed to have at least two immediate effects namely a 20 per cent strengthening in margin requirements on the stock exchange and a weakening of U. S. dollars which put Canadian funds to a premium. The important thing in the United States seems, to most observers, the fact that recovery is continuing at a substantial pace in spite of legislative, political and other setbacks.

Business Indicators

Changes of the Week

Favorable:

Automobile production—Early showing of 1936 models again responsible for very favorable showing in December. Twelve-month figures show 43 per cent gain over 1934.

Electric power production—Wide variations in economic areas. Output sharply lower in Maritimes. Ontario and prairie provinces gain considerably.

Rail earnings—Weekly figures of gross earnings continue favorable showing.

Unfavorable:

Carloadings—Early 1936 returns continue to lag behind 1935 and 1934. Loadings of pulpwood lag particularly behind in current week; also merchandise and miscellaneous (less-than-carload) figures.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest— 1936	1935	—Cumulative Total— Jan. 1 to date 1936	1935
Transportation—				
Car loadings (Jan. 18)	▲40,082	40,789	114,761	115,496
C.P.R. gross earn. (Jan. 21)	$ ▲2,168,000	$ 1,965,000	$ 6,221,000	$ 5,236,000
C.N.R. gross earn. (Jan. 21)	$ ▲2,923,198	$ 2,747,949	$ 8,540,217	$ 7,918,220
Business Conditions—				
Weekly index D.B.S. (Jan. 18)	104.4	101.4	......	......
MONTHLY DATA	1935	1934	1935	1934
Business Conditions—				
Financial Post index (Dec.)	▲109.0	106.7	......	......
Transportation—				
C.P.R. net earnings (Nov.)	$ 3,455,408	$ 3,441,828	$ 19,091,510	$ 21,212,614
C.N.R. net revenue (Nov.)	$ 2,335,158	$ 1,700,014	$ 12,130,957	$ 11,651,947
Iron and Steel (Dec.)—				
Pig iron production (tons)	70,647	42,364	599,794	404,995
Steel ingots and castings prod. (tons)	96,865	58,732	935,682	757,782
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Nov.)	5,180	1,155	77,602	59,854
Factory output (Dec.)	▲11,370	1,953	139,681	92,157
Trucks and Buses:				
Domestic sales* (Nov.)	805	556	16,729	11,322
Factory output (Dec.)	▲2,405	779	33,253	24,733
Exports (Dec.)	▲13,775	2,694	172,934	116,852
Construction—				
Building permits (Dec.)	$ 2,390,014	$ 2,521,820	$ 46,236,702	$ 27,457,524
Contracts awarded (Dec.)	$ 4,364,900	$ 6,062,200	$ 160,305,000	$ 125,811,500
Newsprint (tons)—				
Production (Dec.)	244,732	239,544	2,753,289	2,597,641
Exports (Dec.)	277,743	245,135	2,574,967	2,399,606
Sugar (lb.)				
Melting & shipments§	97,102,444	59,114,346	813,173,926	748,456,751
Manufactured§	137,439,534	105,306,254	891,945,739	818,790,114
Flour (bbls.)				
Production (Nov.)	1,603,803	1,703,831	13,251,583	13,701,857
Wheat flour exports (Dec.)	443,828	340,751	4,881,057	5,053,732
Trade (November)—				
Retail trade (index no. of sales)	72.2	69.9	......	......
Imports (Dec.)	$ 38,569,182	$ 39,107,248	$ 550,314,551	$ 513,469,497
Exports (Dec.)	$ 68,419,223	$ 61,275,223	$ 729,293,880	$ 653,312,228
Wheat exports (bush.) (Dec.)	17,043,882	17,336,206	165,173,111	167,912,369
Employment, D.B.S. Index (Dec. 1)				
All industries	104.6	98.9	......	......
Manufacturing	101.4	91.3	......	......
Electric Power Output (Dec.)—				
Total monthly (000's omitted)	▲2,156,525	2,052,940	22,039,822	19,910,723
Aver. daily	▲69,565,000	66,224,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (Dec.)	111,523	98,238	2,237,041	1,367,602
Boot & shoe prod., pr. (Nov.)	1,706,149	1,316,118	20,146,700	17,321,807
Crude petrol., imp. gal. (Dec.)	55,639,590	47,613,461	1,156,790,504	1,075,157,969
Cotton imports, lb. (Dec.)	22,186,866	18,800,000	120,628,583	143,674,268
Raw rubber imp., lb. (Dec.)	5,745,825	6,380,712	60,189,503	63,701,154
Coal imports, tons (Nov.)	1,360,058	1,666,171	12,206,517	13,029,972
Finance—				
Bank debits (Nov.)†	$ 3,021,500	$ 3,092,200	$ 28,613,000	$ 29,826,494
Bond sales (Dec.)	$ 94,929,500	$ 46,777,239	$ 980,137,390	$ 651,763,840
Life insurance sales (Nov.)	$ 35,158,000	$ 35,863,000	$ 332,836,000	$ 342,023,000
Automobile Financing—				
Used cars (Nov.)	$ 1,036,453	$ 851,469	$ 16,975,445	$ 13,122,915
New cars (Nov.)	$ 1,249,825	$ 636,688	$ 21,132,012	$ 15,908,555

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to Nov. 30.

A Seasoned "Grain" Bond

A first mortgage investment in one of Canada's leading grain elevator organizations. Interest charges earned 3¼ times, before depreciation, in fiscal year ended June 30, 1935.

The Alberta Pacific Grain Co.
Limited

6% First Mortgage Bonds, due 1946.
Price: 101 and interest. Yield: 5.87%
Particulars on request. Correspondence enquiries invited.

Royal Securities Corporation
Limited
244 St. James Street
Montreal
330 Bay Street
Toronto 2
Offices throughout Canada; also in New York and London.

Background of Business

Drug Price War

King Edward on Tourist Trade — Pact Lowers Prices — Salt — Radio — Lobsters

Price wars among druggists in various important cities in Canada continue to spread according to information collected by Drug Merchandising, Toronto. Information was published in this column last week indicating low prices being charged in Montreal.

The current issue of Drug Merchandising contains a further report on conditions in Ottawa where it is said that "certain groups are determined to break the competition offered by the chain stores." In so doing it is pointed out they are sacrificing profits of members "but the view taken is that there is no help for it and they are satisfied to 'take the rap' in carrying the battle to chains."

It is reported that for the most part the "price war" in Ottawa is being carried on in good spirit with virtually all members of the Retail Druggists Association observing closely the recognized "minimum" prices. It is admitted that in Ottawa as in other Canadian cities, certain products are being offered as "sucker bait" on which there is no margin of profit whatever.

* * *

Toronto's New Ones

One of Toronto's big business undertakings which keeps itself well in the public eye by a steady stream of publicity is the Toronto Industrial Commission. It recently issued its seventh annual report and summarized its activities in that period in the following table:

	Toronto	Suburbs	Total
Industries estab.	105	17	122
Manufact'g arrangemts.	21	1	22
Capital inv. in plant and equip.	$3,256,569	$2,347,500	$5,604,069
Employment, No. of empl.	2,829	443	3,272
Annual payroll (approx.)	$2,857,290	$ 403,130	$3,260,420
Floor space occupied, sq. ft.	1,206,875	442,490	1,649,365
Rental value per annum of occupied premises	$ 301,718	$ 110,622	$ 412,341
Elec. pwr. consumed annually (approx.)	$ 51,000	....	....
Business taxes pd. to City of Toronto in 1935	$ 21,279	....	....

The commission pointed out that by 1937 all of the above 105 companies would be paying taxes to the city, and that in that year on the basis of the 1935 mill rate they will pay taxes amounting to $28,405. Thirteen new firms are listed as having been established in 1935 and five new manufacturing arrangements completed.

* * *

Britain's Tourist Trade

In a recent speech, the new King, Edward VIII, drew attention to the fact that Britain's tourist trade brought that country an annual revenue in 1934 of something short of £26 millions of revenue.

This sounds impressive until put alongside corresponding figures of almost $200 millions—the annual average for Canada. "Surely," it is asked, "the United Kingdom, world centre and focal point for tourists from all over the globe, must obtain a greater annual revenue than Canada from this source?"

* * *

Ignorance of Facts

The answer seems to be, not that the Canadian figure is an inflated one, but that as F. W. Ogilvie puts it in his book entitled "The Tourist Movement," "This island in the northern ocean, the classic hive of the tourist and a journey's end for tourists from the world over is still, to the astonishment of foreign observers in deep ignorance of the extent of the movement to and from its shores. The nation of shopkeepers is already in large measure a nation of innkeepers, but it knows little of it."

One or two reasons are given. Firstly, that the Board of Trade and British officialdom generally have always concentrated more on the long-term or migratory nature of steamship travel, and secondly, that statistical energies have been developed toward recording passenger traffic to the new world, rather than to Europe and the Mediterranean. Another weakness is apparently the fact that British official statistics are to quote Mr. Ogilvie "a mockery for any scientific purpose" because they lump together all subjects of the British Empire under the general word British.

* * *

Pact Lowers Prices

While the full effect of lower duty on hardware lines imported from the United States under the Canada-United States Agreement, is not yet apparent, a few lines have been lowered in price by wholesalers, says Hardware and Metal. Among these are electrical devices, radio sets and copper bull rings. As more merchandise is provided for spring stocks, and laid-down costs are known on imported lines, prices to the trade will be revised where reductions are found.

Customs officials state that shipments of hardware into Canada have not increased to any great extent during January, but they have received a tremendous number of enquiries from firms regarding the tariff classification of merchandise and the new rate of duty which applies. Wholesalers believe their stocks will be broadened by a number of new lines they will be able to import.

* * *

Marketing Dangers

Controlled marketing has its drawbacks. Everyone is sympathetic toward the producer and desires to see him get a fair return on his investment including his time and the labor expended. But if "controlled marketing" curtails sales to any great extent, it is doubtful whether the increased prices are of much advantage in the end.

Canadian Grocer has a letter from a merchant in Western Canada—head of a firm operating more than 30 stores — which sells immense quantities of British Columbia apples every year. But in 1935, he had a decline of $25,000 in apple sales due to controlled marketing in British Columbia. He could not get the fruit in the proper sized container as compared with former years and says the policy of the B. C. organization is not suitable for his clientele. Similar information is contained in a dispatch from Salmon Arm, B.C., to a prairie newspaper which tells about an Alberta merchant visiting the district to look into the apple situation. In 1935, he could not get the service on account of, as he terms it, "the unchangeable laws of the B. C. Tree Fruit Board." As a result, he took a trip to Ontario and purchased 65 cars of apples, which business ordinarily would have gone to the British Columbia growers.

* * *

Clay Products Gain

Alberta Clay Products, which is stated to be one of the biggest manufacturers of building tile, brick and sewage pipes in Canada, reports that during 1935 business conditions were 50 per cent better than they were during the previous year.

Whether the United States-Canada tariff would place the company on a better status was still unpredictable, but according to company officials the new year's business should be just as gratifying as that during 1935.

* * *

All-wave Sets Popular

Production of radio receiving sets in Canada during the third quarter of 1935 numbered 56,043 units compared with outputs of 47,000 in the corresponding months of 1934 and 24,711 in the second quarter of this year. Output included 13,424 standard broadcast sets, 23,533 multi or selective wave sets and 19,086 all-wave sets. Sales were valued at $4,444,603 list prices. Compared with sales of 42,695 sets and 29,366 sets during the third quarters of 1934 and 1933 respectively.

Compared with figures for 1934, data showed improved radio sales from coast to coast with most of the gains being made by the selective and all-wave sets, while the sales of receivers with standard broadcast band fell to 19,358 from 24,069. Sales of multi or selective wave sets advanced to 24,772 from 16,148 and the all-wave sets rose to 14,834 from 2,478.

* * *

Movie Business

Movie patrons paid $25,280,000 into the wickets of motion picture theatres in Canada during 1934, an increase of 1.5 per cent over 1933. Number of persons attending was 107,718,000, with Ontario accounting for 45,747,000 and Quebec for 24,466,000. It is estimated that the average attendance at the "movies" for Canadians is about once a month but in the larger cities and towns the average runs to from 20 to 35 times a year.

Figured on a per capita basis, every man, woman and child spent $2.33 (exclusive of amusement taxes) on the movies in 1934.

Motion picture theatres in operation in the Dominion during 1934 numbered 799, and had seating accommodation for 487,828 persons.

* * *

Cost of Customs Collection

Percentage expense of collection of customs and excise revenue in Canada during the past fiscal year stood at the low figure of 2.97 compared with 3.37 for the previous fiscal year, 3.86 for 1932-33 and 4.87 for 1931-32. This is the lowest point reached since 1927 when percentage expense of collection stood at 2.66. Collection costs since Confederation were lowest in the two years 1920 (customs revenue only) and 1924, standing at 2.49 per cent, while costs reached their highest figure in 1868-69 when they climbed to 7.09 per cent. The average percentage expense of collection since Confederation stands at 3.86.

Percentage of duty on the total value of goods for home consumption, dutiable and free, in 1934-35, dropped to 16.11 from 16.86 in the previous year, 19.02 in 1932-33 and 19.71 in 1931-32, this latter being the highest percentage since 1916 when it stood at 20.47. Percentages have varied since 1867 between a low of 10.20 reached in 1873 and a high of 21.65 reached in the year 1889. The average percentage of duty on the total value of goods entered for home consumption since Confederation stands at 16.55.

* * *

Courts Hold Business Fate

Whether or not food manufacturers will be permitted legally to make advertising and other allowances with retail distributors as they please, discriminatory or otherwise, will depend on how the Supreme Court of Canada views the changes made last year by the Federal Parliament in the Criminal Code, says Canadian Grocer.

Another business policy that hangs in the balance is the right of a firm or individual to sell goods in any area at any price he likes even if the intention is to put somebody else out of business. In fact fates of several Federal Acts covering social and business legislation passed in the last couple of years will soon be decided. Since they were passed and put into effect, some of them have changed the course of business in many respects and have been responsible for retailers, wholesalers and manufacturers having to change former policies.

* * *

Salt Outlook Uncertain

Domestic consumption of salt during 1935 did not change greatly as compared with 1934, says Canadian Grocer.

As a whole the salt industry is still suffering from the disturbed conditions which entered it at the close of the year 1934, and the downward trend in prices that commenced at that time has continued throughout 1935 without any indication of an early change.

While the outlook for 1936 is uncertain, according to the Salt Division of Canadian Industries Limited, there is no reason why general conditions, which are on the upgrade, should not reflect themselves in the salt industry.

Provincial Bank's "G. M."

J. U. BOYER

Who has been appointed general manager of the Provincial Bank of Canada. A member of the Provincial staff since 1918, Mr. Boyer served in all departments of the bank, rising to be manager of the Montreal head office in 1930.

New Industries

Buchan-Sinclair Ltd., Brampton, Ont., manufacturer of women's wear and sporting apparel, has moved from Toronto to Brampton where it acquired the building formerly occupied by Canadian Mowers Ltd. (Brampton Conservator).

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.50	$6.75	$6.35
Hogs	9.25	9.25	9.25
Copper, lb.	.09¼	.09¼	.09
Cotton, lb.	.1195	.1185	.1265
Rubber, lb.	.15	.1415	.1256
Sugar, raw, lb.	.0335	.0325	.0280
Silk, lb.	1.88	1.93	1.47
Wheat (Man.) bus.	.84¾	.84⅝	.79¼
Coffee, lb.	.06⅞	.06⅞	.09¼

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	127.4	128.2	123.2
Fishers'	83.9	83.8	81.8
N. Y. Journal of Comm.	78.9	80.0	79.3
Crumps (Brit.)	68.3	68.6	64.8
U. S. Labor	80.5	80.9	78.6
Canada (D.B.S.)	72.9	73.0	71.4

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (Dec.)	80.8	80.6	78.9
W'sale (Dec.)	72.6	72.7	71.1
U. S. Labor (Nov.)	80.6	80.5	76.5
Gt. Brit. (Nov.)	77.2	77.4	70.0

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: Sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

May Pay Unsecured Debts Of Crosse & Blackwell

J. Allan Ross and D. B. Beamish Want Creditors to Accept Payment from Revenues of Sugar Refinery—1935 Earnings $25,000

Unsecured creditors of Crosse & Blackwell (Canada), Ltd., which went into bankruptcy late in 1934, may get some of their money back. The amount owing to them is about $320,000 and tentative plans for paying them were presented to an adjourned meeting of creditors in Toronto on January 23 through G. T. Clarkson, trustee.

These plans call for a five per cent payment now and another five per cent payment in three months time. Creditors also are to receive certificates of indebtedness on rest of their claims and these will be paid in a period of five or ten years on a plan to be worked out after consultation with J. Allan Ross and D. B. Beamish. It was not stated whether these certificates will cover the whole claim or only part. That also will be decided at adjourned meetings.

Make Money From Sugar

The chance of the unsecured creditors to get some of their money back comes because of the continued operation of the sugar plant set up in 1934 as a part of the Crosse & Blackwell enterprise. In the meetings of creditors a year ago J. Allan Ross, chief shareholder of Crosse & Blackwell, asked permission to continue the sugar plant. He then promised that any profits made from same would be turned over to shareholders.

Exact profits made by the sugar plant could not be ascertained. Mr. Clarkson said he was informed that profits were not less than $25,000 in 1935. Neither Mr. Ross nor D. M. Beamish, agent, who had operated the refinery, cared to make a statement for "certain reasons."

A report will be given, it is understood, in a month's time by the special committee of creditors named a year ago to discuss any offers or proposals made to assist in liquidating Crosse & Blackwell debts. In the meantime they will confer with Messrs. Ross and Beamish.

The plans do not include payment of taxes to the Dominion Government or to the city. Arrangements were made by which all but $60,000 was paid to Ottawa for sales and excise taxes and all but $9,000 to the city and the Toronto Harbor Commission for taxes and rentals. Mr. Ross plans to look after these amounts personally.

Cotton Goods Imports 9.4 Per Cent Higher in '35

From Our Own Correspondent

MONTREAL. — Imports of all classes of cotton goods into Canada during 1935 totalled 26.7 million pounds, an increase of 9.4 per cent over 1934, according to figures compiled by the Cotton Institute of Canada.

Continued expansion in imports from the United Kingdom was the feature of last year's showing, a total of 20.3 million pounds which was 75.6 per cent of all imports, showing an expansion of 10.3 per cent over the imports from that source in 1934. In the early part of the year, the increase in purchases from Great Britain was offset to a considerable extent by reduced imports from the United States, but the latter was rapidly regaining its position as the year ended, and total imports from that source in 1935 showed a decline of only 2 per cent, having amounted to 4.9 million pounds.

Sakatchewan Farmers May Get Tax Free Gas

Legislation will be brought down at the coming session of the Saskatchewan legislature to eliminate the necessity of farmers paying gasoline tax on gasoline used for farm purposes.

Preliminary work on the necessary bill is now being done, Hon. C. M. Dunn, minister of highways and transportation, said.

Farmers now have to pay the seven-cent tax on all gasoline purchased but get the amount of the tax back in a rebate, on gasoline actually used in farming operations.

The new legislation will aim at removing the objection to the payment in the first instance.

Like Fingerprints

NO TWO ESTATES ARE ALIKE
—but Officers of The Royal Trust Company, after many years of all-round experience, are qualified to administer Estates of every type. That is one reason why so many appoint us Executor instead of a friend or relative who has had experience in few or in none.

Consider your Will today. Go to your lawyer and have him draw it or revise it... and in it name The Royal Trust Company your Executor and Trustee.

3605A

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ROYAL TRUST
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EXECUTORS AND TRUSTEES
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McKINNON BUILDING - TORONTO, ONT.

MR. PAUL R. FLEMMING
announces the formation of the firm of
FLEMMING & COMPANY
to deal in
Government, Municipal and Corporation Bonds
with offices at
DOMINION BANK BUILDING
ADelaide 3735.
TORONTO

Meet Today's Competition
With Today's Most Effective Profit-Creating Tools

George S. May Management Controls
for Executives

INDUSTRY needs management controls, through executive incentives, more than it needs wage plans for direct and indirect labor.

The George S. May, Limited, has met that need by providing the tools that executives must have to control expenses.

May management controls are the result of fifteen years experience on the part of May engineers in helping 1,285 manufacturing plants with their production problems.

May management controls are graphic charts designed for each department and key man from the president down. They automatically keep expenses in direct proportion to plant activity.

Under this plan, the burden for controlling expenses is placed on these supervisors. The controls are effective because they are made a part of the earnings of these men.

This plan pays key men extra money only when existing conditions are improved and consequently the plan does not become an added expense to operations.

What will May Management Controls do for you?

1. They will point out the weaknesses in each department, and show just exactly where Management should concentrate.
2. They place every dollar of expense under some Key Man's Control.
3. They will enable you to criticize constructively. No longer will you have to call a man in and ask, "What is the matter in Your Department?"
4. They will pay your Departmental Heads more money only if they actually earn it; you will not have to increase salaries. This plan enables each man to determine his own earnings in direct comparison to his accomplishments.
5. They will reduce your scrap percentage because quality is one of the predominating elements.
6. They will automatically reduce your manufacturing expense when requirements go down, and will likewise hold expenses in restraint when production is increasing.
7. They will keep your Key Men on the alert for Cost Reduction possibilities at all times.
8. They will promote harmony in your Company, increase Executives' wages, and bring higher profits to the Stockholders.

WRITE OUR NEAREST OFFICE FOR MAY FACTS No. 13 SHOWING AN 11"x17" CONTROL CHART

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NEW YORK: *122 E. 42nd St.*
HUGO, OKLA.: *Box 43*

In The Construction World

At the Crossroads

CANADA'S construction industry is at the cross-roads.

It must either advance along the road of recovery, through nationwide housing and other building or if the stimulus of its progress in 1935 is lost, it may recede to the stagnant conditions of 1933, when the bottom literally fell out of the industry.

Faced with this situation, the best minds of the industry met in Hamilton a week ago, discussed the situation, and arrived mainly at the conclusion that federal works operations are not the answer, since the burden of these is ultimately borne by people whose taxes already serve to discourage private building enterprise. Instead, builders feel that with cheap money, house construction offers a solution to the immediate problem, although it is regarded as only an intermediate step toward a general revival in all classes of construction.

Airing the whole question in the light of progress made during 1935, members of the Canadian Construction Association, at their annual convention, in Hamilton, sounded a confident note, but something more than confidence is needed if a permanent revival of construction activity on a sound basis is to be achieved.

* * *

Benefits For All

UNLIKE gold mining, which found a new lease of life during the depression through the rise of gold to $35 an ounce, the Canadian construction industry became practically dormant so far as private enterprise was concerned, and had to rely largely on government public works to tide it over the dark days.

But public works programmes cannot continue indefinitely, and the construction industry does not expect the government to provide it with an unending series of projects. It made that clear when, in the closing hours of the Hamilton convention, the construction association passed a resolution that the C.C.A. should not seek an extension of the programme, nor the undertaking of further public works construction except in the degree in which the Dominion Government would normally undertake such work.

* * *

Greater Employment

WITH cheap money and a diminishing tax burden construction activity may go far toward solving the national unemployment problem. Employment of men on private construction is usually in relatively greater numbers than on public works projects, and housing construction offers the most widely spread means of accomplishing this objective, it is held.

Slum clearance, probably not among primary considerations from a construction association's viewpoint, is nevertheless a logical accompaniment to new house construction.

In a higher price bracket, the need in Canada of low-cost, low-rent workmen's dwellings is pressing and with cheap money available from government or private sources, the construction industry can meet this need to the benefit of all concerned.

The problem in this connection is, of course, to divert cheap money into building and there is encouragement from statements made at the Hamilton convention, indicating it is more than likely that private enterprise has already awakened to the possibilities. Private groups in Toronto, Montreal and elsewhere are surveying the possibilities in this field.

* * *

New Housing

IN HIGHER grade types of housing development of air conditioning, new types of steel and concrete construction, amazingly efficient methods of insulation, and other innovations will eventually create a wide demand for this class of residence as general conditions improve. But the, building of these modern homes, replacing the older, less comfortable, and high-maintenance-cost structures is by no means general as yet.

The construction industry, sensing the trend of modern home building methods, the need of new housing in all price brackets, of absorbing thousands of unemployed whose maintenance cost is one of the chief reasons for high taxation, of slum clearance, and of the need for financial co-operation in the form of cheap building money, has cleared its own desks for action.

If funds at low rates can be diverted into construction channels and taxation confined to reasonable limits, the outlook for construction is favorable.

It would not be the first time that private capital, in astute hands, had anticipated a trend to its own advantage.

Easing of Relief Tax Burden May Lie in Building Revival

Will Lower Taxation Costs Accompany Absorption of Workless in Construction Trades?

By THOMAS C. THOMPSON

A million dollars isn't much money—when it's spent on unemployment relief.

It represents only a fraction of the $36 millions the federal government will hand out to the provinces this year, for relief purposes.

And it's still only a drop in the bucket compared with the millions spent by any large Canadian city for hostels, doles, local relief projects, and the care of workless families since 1930.

But if another $134,300 is added the total of only $1,134,300 will employ 1,300 men, working one construction year of 200 working days, and not one of them need be paid less than 40 cents an hour or more than $1 an hour.

The only restriction is that the work for 1,300 men be on a construction project because the $1,134,300 paid for labor will represent 80 per cent of the total construction contract on which they are employed.

Key to Employment Problem

The construction industry may hold the key to Canada's unemployment problem. There is nothing visionary in the figures that show how a relatively small amount of money can provide sustained employment for a large number of men. They are actual figures compiled on the basis of a construction project completed in Winnipeg. And they can be applied to other construction projects.

Apart from construction and building, few methods of expenditure on a business basis will include 80 per cent of the total for labor alone.

Obviously, relief costs are due to unemployment, and the claim that a building revival, either stimulated by government works or private enterprise, can solve the unemployment problem is not so sweeping as it appears.

In the construction industry, suffering from a prolonged case of paralysis as the result of the depression, but which now shows a definite sign of revival, the range of employment is probably larger than most forms of human enterprise.

White Collar Workers

There are, for example, unemployed engineers, architects, draughtsmen, timekeepers, storemen, construction office clerks, and other white collar workers. They represent only a small part of the total awaiting absorption into their own field of activity.

There are also unemployed roofers, steel workers, stone-masons, carpenters, hardware makers, electricians, plasterers, lathers, lumbermen, floor finishers, concrete workers, steam shovel operators, painters, glaziers, elevator men, plumbers, and metal workers.

Dozens of other trades connected with building could be mentioned. All rely largely on construction for a livelihood, and when there is a construction slump they are among the unwilling applicants for relief and the unwilling cause of mounting relief costs and taxation.

But for each of these there are a dozen or more unskilled laborers, unfitted by lack of training to turn their hands to anything but a shovel or a pick. And in the last group are the men who form a large part of the drain on relief costs.

Rising Employment

The government-sponsored relief works programme has been accompanied by a mounting employment index in Canada, and so far as government construction is concerned there is the double edged fact that it is in the interests of taxpayers themselves that further numbers of unemployed be absorbed into building activity whether government or private.

Signs of revival in home building, following the government works programme, are encouraging, however, and leaders of the construction industry are confident that building recovery is in sight. Their chief problem is to stimulate the movement in the face of heavy taxation and the high costs of speculative building funds.

Taxation on property, it is claimed, will only decline when relief costs begin to go down. If relief costs and consequently taxation decline, confidence in building will be regained, but the joker lies in the fact that neither development may take place unless there is a revival of construction itself.

A vicious circle exists. To break it, builders state there must be a general knowledge of the fact that new building is needed in Canada to replace obsolete structures, that low-cost-low-rent houses must be erected in place of a growing slum menace, and that private homes in the middle and high price fields are awaiting buyers in a position to pay for the latest developments in air conditioning, insulation, and other modern innovations.

Builders therefore, believe that speculative building funds must be made available at low interest rates, and that public confidence in the construction and building outlook, on the basis of the 1935 recovery, must increase as a preliminary to large scale building in Canada.

Hand in hand with such a revival, they claim, will be the absorption of unemployed on a large scale, and a corresponding easing of the relief and taxation burden. The two movements are essentially interlocking and provide benefits for all concerned.

If construction offers the solution to the relief and unemployment problem, what basis has already been established for the claim?

In Winnipeg, federal authorities recently authorized a new Dominion building, employing Winnipeg architects and engineers and their staffs. The effect was felt in a dozen or more trades and industries—but the major effect was on employment.

Canadian Labor

Canadian labor produced by the contract under which the building was erected was paid for as follows:

	Amount	Man Hours
Direct job labor	$ 423,300	705,820
Production*	$ 711,000	1,375,360
Total	$1,134,300	2,081,180

*Including manufacture, fabrication and transportation of materials on job.

The total of $1,134,300 expended on labor was 80 per cent of the contract price, the remaining 20 per cent consisting of sales tax, insurance, plant depreciation of general and sub-contractors, overhead, profit, etc.

And the total of 2,081,180 man hours equals 1,300 men working a year of 200 working days in the construction industry.

Low Cost House Construction Held Unemployment Solution

Dr. Milton Hersey Advocates Financial Co-operation With Building Industry—Slum Clearance

Solution of Canada's unemployment problem and the answer to the shortage of low-rent houses for workers will be found in new house construction, according to Dr. Milton Hersey, prominent Montreal consulting engineer and industrialist, who addressed members of the Canadian Construction Association at the association's annual convention in Hamilton.

"New house construction can and should be carried out through direct co-operation between the federal authorities and local organizations, which may be municipal or private," Dr. Hersey declared. "There is hardly a community of any size that has not some housing scheme which, however sound, cannot be carried out because of the difficulty of securing loans at a low rate of interest.

"Cheap money is the very basis of cheap house construction," Dr. Hersey asserted. "With the government setting the example, no housing project costs more than four per cent in England, and most of the construction is on a 3½ per cent loan basis."

Slum Clearance

Attention of the construction association was focused on the question of slum clearance by Dr. Hersey, who linked this aspect of the situation with absorption of unemployed workmen in house building.

Without basic legislation for planning, zoning and housing, many difficulties are in the way, and without a general plan private investors or public authorities cannot know in what way a cleared slum can be replaced by improved residential buildings, he asserted.

"Thirty per cent of the slum population will not respond to improved conditions in any event, and will set about creating a new slum elsewhere," Dr. Hersey said. "Seventy per cent would respond to improved conditions, but people who can afford to pay only from $2 to $3 per room, per month, in rent will not be able to pay from $5 to $6, even for improved accommodation.

At the Same Cost

"The basic principle of slum clearance is to provide better living accommodation and environment for the same rentals as previously prevailed," he continued.

"These are matters which can only be controlled by planning and housing acts. The slum dweller has his rights, and his roof must not be pulled down until another roof has been prepared for him at a cost he can afford. For his new roof, the public must be prepared to pay a part of the cost, if necessary."

Aware that unemployment is now most pronounced in the building trade, and assuming that slums should be torn down and made good by the erection of healthy dwellings, within easy reach of places of occupation, and above all that absorption of labor to this end would be preferable to the continuance of direct assistance, or dole, Dr. Hersey cited the course of events in England since the war to meet similar problems.

"As taxpayers, we may be ready and willing to recognize our duty in bearing a part of the costs of dealing with unemployment, and those of inter-related problems of slum clearing and housing, but we must see to it that every cent we spend in these connections is spent to good advantage."

Housing and Morale

"Unemployment, unfortunately, is still a real problem throughout the country," the speaker said.

"This, coupled with the shortage of sanitary housing has done more than anything else to break down the stamina and morale of a large proportion of Canada's citizenry."

Emergency Measures

From evidence submitted to the House of Commons committee on housing, the committee fully recognized the gravity of the situation regarding slum conditons, Dr. Hersey said, but it considered that its mandate was to consider emergency measures, and the inauguration of a national policy of house building in order to provide employment.

New House Construction

Dr. Hersey declared that Canada's immediate problem is to find out where and how the most profitable employment can be provided. The answer, he declared, lies in new house construction carried out through direct co-operation between the federal authorities and local organizations which may be municipal or private.

Referring to the difficulty of securing loans at low rates of interest, Dr. Hersey declared that the federal authority is in a position to provide all such loans without cost to the country—not through professional loaning companies, as provided in the present housing bill—but directly through the various housing projects.

Ultimate Ownership

The speaker advocated a plan which would result in ultimate ownership by the tenant of every housing project financed by the government, and this, he said, could be made possible through the cheap loans suggested. With a four per cent loan, for example, a $3,500 house on a thirty-year repayment basis would cost the occupant only $12 per month, and this provides for interest and sinking fund to retire the maturity.

"Because of the easy terms, the danger of default is reduced to a minimum. Also the workmen who take up such obligations are invariably of the thrifty class, 'the class that pays its way'." Dr. Hersey said.

Cost Largely for Labor

"Construction of a $3,500 house involves approximately 50 or 60 per cent of the cost directly in labor, with a small percentage to the landowner and the balance spent in materials, mostly the finished products of other industries

"Thus, in making, through a responsible organization, a thirty-year loan of $3,500 at four per cent, the government would first provide considerably over $2,000 worth of employment, and then provide a respectable working-class family with a real home which it would ultimately own outright—and all at no cost to the taxpayers," Dr. Hersey said.

Dr. Hersey believes that Canada's unemployment problem can, to a large extent be solved by the construction of self-contained workmen's dwellings, particularly as there is ample cheap land available in almost every large community.

"While this class of construction under efficient management can be made self-sustaining," Dr. Hersey added, "there is little profit in it as a private enterprise so that it would have to be undertaken by public-spirited groups of citizens with low interest loans, provided they are guaranteed by the federal authorities.

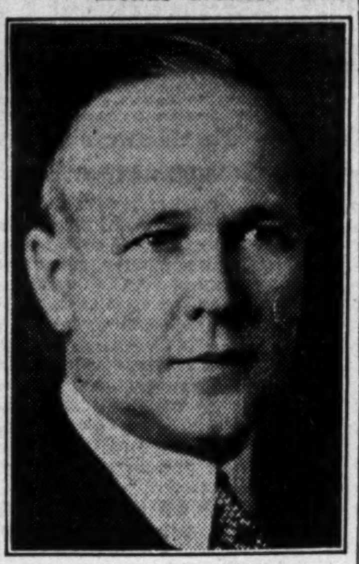
"In my opinion, house building should have been taken up at the beginning of the depression in every part of urban Canada for two reasons: First, it provides work for many types of mechanics, and second, it is a form of public work which pays for itself."

Trained Officials Needed

Dr. Hersey presented to the members of the construction association detailed statistics in relation to the success of English housing scheme. "Unfortunately," he said, "Canada has no trained officials in housing, such as they have in Great Britain, and only the co-operation of men with experience in the building trade makes certain the success of any housing scheme. The failure of former government housing schemes has undoubtedly been due to the fact that the local administration was in the hands of men who knew nothing whatever of the building trade."

Dr. Hersey urged the members of the Canadian Construction Association to consider the main features of the British scheme and their possible application to Canadian conditions in solving the dual problem of housing at low cost, and absorption of unemployed in the building industry as a whole.

Heads C.C.A.



F. G. RUTLEY

Vice-president of the Foundation Co. of Canada Ltd., who was elected president of the Canadian Construction Association at the annual meeting in Hamilton.

BUILDING UPTURN FORECAST IN U. S. AS INCOMES RISE

Increased construction and realty buying activity in the New York area during 1936 is predicted on the basis of sales, rising rentals, building costs and mortgage financing.

Increased income is being reflected in greater demand for new housing, with no surplus of small houses and very little in the apartment field, according to John C. Hegeman, president of the building firm of Hegeman-Harris, Inc., of New York.

In the field including office and institutional structures, a division of the building industry which always has been last to feel the force of revival, the "tone of enquiry" is now better than at any time in the last five or six years, Mr. Hegeman says.

Stiffening rents for all kinds of buildings indicate that there is no longer an unmanageable amount of surplus renting space and "most of the headaches incident to troublesome 'situations' are well on the way to being cured," he asserts.

Deflation of wage scales and costs of construction materials are a further aid to building revival, he says.

Reflecting Stock Rises

Lawrence B. Elliman, president of Pease & Elliman, Inc., realty brokerage, predicts that real estate shortly will show a decided improvement in rentals and sales prices, similar to the stock market's reflection of general business improvement and the rise in general commodities.

Prices of New York dwellings are in many instances substantially below those of 35 years ago.

Moving Sidewalks Forecast By Westinghouse Chairman

A world transformed by speed and new inventions is forecast by A. W. Robertson, chairman of the board of the Westinghouse Electric & Manufacturing Co.

Air-conditioning of homes, offices and factories will be a necessary service of the future, he says. Modern buildings will be windowless with light furnished by artificial sunshine, because, says Mr. Robertson, "the new lighting processes will make windows unnecessary."

The future, and apparently the not distant future, will bring moving sidewalks, elevators with incredible speed, and all highways will be lighted from end to end.

Conservative business executive, Mr. Robertson bases his predictions upon experiments and discoveries now being made in expanding the use of electricity.

FEDERAL PROJECTS ARE ABOUT HALF MONTREAL'S TOTAL

Spring Building Prospects Regarded as Generally Favorable

About 50 per cent of the new building in the Montreal area during 1935 was government property. As a result, it will not yield a cent to the city in taxation.

The effect on Montreal's assessment which, it was hoped, had touched bottom at $930.9 millions for 1935-6, will be to slightly reduce this figure still further during the 1936-7 period, according to present estimates.

Government structures include the customs house, the postal terminal, the Duke of York Hussars' armory, and the Notre Dame de Grace post office.

Prospects For Spring

Prospects for spring building construction in Montreal are generally fair. Observers state that Mount Royal ward will almost certainly lead any residential boom and there are indications elsewhere in the city that home building is on the upgrade.

On the other hand, officials at the city hall in Montreal point to the amount of distress property on the hands of present mortgage holders, and the still large relief list, making paying tenants an almost minus quantity compared with a normal period.

Tax Refunding

Some stimulus to building in Montreal is seen in the possibility that the city council may set up a refunding scheme for tax arrears on vacant land which might have the effect of stimulating building activities. If that occurs, however, operations are likely to be confined to the north and west areas of the city.

House Window Panes Now Fully Insulated

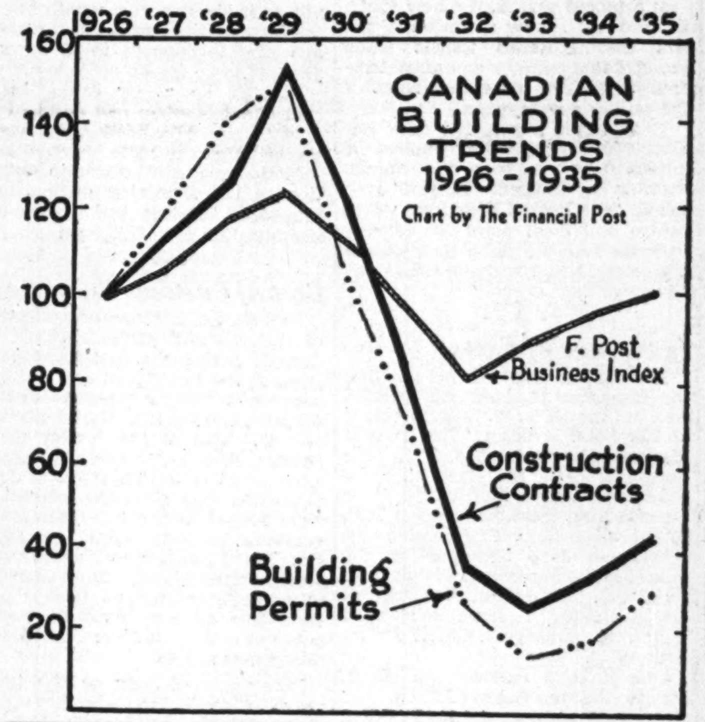
What of the windows in the modern completely insulated house?

The question was asked by a delegate at the recent Canadian Construction Association's convention in Hamilton, and the answer to the seeming impossibility of insulating windows is that the glass manufacturers themselves now have solved the problem.

Double glazed windows are built, in which two panes of glass are set into a single window sash, with a sealed air space between the panes.

The dead air makes an effective insulating barrier against the escape of heat from the interior, and since it is sealed, no moisture can enter to cause frost on the panes.

Winter's fancy tracings on the window are a thing of the past.



CANADIAN BUILDING TRENDS 1926-1935

Chart by The Financial Post

CONSTRUCTION

The use of ALL CANADIAN MATERIALS in public and private works benefits every branch of Canadian industry directly or indirectly.
For instance—

The manufacture of Canadian steel gives direct employment to four groups of Canadians—

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2. The men who make the steel.
3. The fabricators.
4. The railroad men who transport the raw materials and finished steel.

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National Steel Car

I have been advised that National Steel Car common stock is a buy at the present time. Please let me have your opinion regarding management, capital structure and financial position of the company.

National Steel Car Corp. is one of the three principal railway equipment manufacturing companies in Canada. Operations and policies are largely determined by R. J. Magor, who has had considerable experience in this line of industry. The record of the company is a favorable one considering the ups and downs attendant on this type of business.

The company has only one form of capital, 130,000 common shares.

At the end of last June current assets totalled $681201, of which about $300,000 represented Dominion and provincial bonds, as against current liabilities of $32,059.

In the last three or four years there has been little or no business available from the railways for the car equipment manufacturing companies. In the 1935 fiscal year, National Steel Car had an operating loss of $228,201. The last time any earnings were shown on the common stock was in 1932 when 7 cents a share was earned. Since the close of the last fiscal year the company has received orders from the Canadian Pacific Railways which, it is expected, will enable the National Steel Car to break even on 1936 operations.

Can. Power & Paper

I hold a few shares of Canadian Power and Paper Investments cumulative preferred stock. If there is not much hope for the company, I would prefer to sell and invest the proceeds in something else. Will you let me have your views?

Canadian Power & Paper Investments' financial statement for the nineteen months period ending July 31, 1935, does not make particularly encouraging reading for the preferred shareholders. Revenue in that period was insufficient to take care of debenture interest. The equity back of each $1,000 debenture is only $506 so that there is nothing behind the preferred shares. At present there is a market on this stock of from $4 to $6.

Inter. Bronze Powders

As an old subscriber to The Financial Post, I would like to have a general report on International Bronze Powders. I understand that some of this company's preferred stock is on the market.

International Bronze Powders is a newcomer to the Canadian investment field. Sufficient time has not elapsed to permit a long range view of the investment merits of the company's securities. The annual report for the past year indicated satisfactory earnings, with the dividend of $1.50 a share on the preferred stock being well earned. The company holds a strong position in its own particular field, with plants in the United States and Canada. The company also carries on an extensive export business. It is reported that trade with the United Kingdom showed an increase in 1935.

London-Canadian Trust

I hold some London Canadian Investment Trust debentures and would like to know whether or not it is the intention of the management to issue common stock or share warrants in exchange for the talons on the debentures. Also can you tell me what progress is being made by the company?

We are informed that London Canadian Investment Trust has no intention of issuing common stock or share warrants in exchange for the talons.

The financial statement for last year, which will make its appearance next month, will show interest on the debentures covered by a comfortable margin. The financial position of the company is understood to have further improved, but particulars will not be available until publication of the report.

Canada Biscuit

Can you tell me what happened to the bonds of Canada Biscuit under the reorganization plan? Has any statement been issued on earnings for 1935?

Canada Biscuit Co. has changed its name to McCormick's Ltd. The reorganization plan provided for the exchange of the old bonds at 50 per cent of the principal amount in new bonds and one new $50 par value preferred share for each $100 of old bonds. All claims for unpaid interest and sinking fund payments due and unpaid up to May 1, 1935, were cancelled. Interest on the new bonds up to April 30, 1945, is payable annually, if earned, and is non-cumulative. After May 1, 1940, interest becomes a fixed charge at the rate of 5½ per cent per annum. It is understood that the operations of the company have been somewhat better of late, but no official statement has been issued by the management.

Brandram-Henderson

We would appreciate recent information on Brandram-Henderson Paint Co., with particular reference to the preferred stock. If you know of any market for this stock, please advise us.

The long term outlook for the preferred stock of Brandram-Henderson Paint Co. is difficult to define; the short term outlook even more so. The company is paying interest on its first mortgage bonds, but the sinking fund has been in arrears for some time.

No payment has been made on the consolidated mortgage bonds, but fixed interest payments accrue from March 15 next. The company will not be obligated to pay interest on the bonds until September and it is difficult at this time to say whether or not it will be in a position to meet this obligation.

Another problem confronting the company is the matter of refunding the first mortgage bonds when they come due on October 1 next. As the first mortgage bond issue amounts to only $142,700, the matter should be cleaned up satisfactorily.

There has been no statement issued by the management in recent months as to trend of earnings. During 1934 the company showed a deficit of $2,725 before bond interest, and depreciation. Some improvement is anticipated for 1935, but it is unlikely that there will be any marked change in the earnings of the company.

So far as we can find out there is no market for the preferred stock in Montreal or Toronto. There may possibly be a market in Halifax.

McColl Frontenac

Please let me have your opinion on McColl Frontenac Oil Co.'s 6 per cent cumulatve redeemable preferred stock. I have a small sum of money to invest just now and would like to know something about the earning power of this company.

McColl Frontenac Oil Co. has reported earnings at a consistently high level for several years past, with the preferred dividend at $6 a share being covered about 2½ times during the year ended January 31, 1935.

It is noticed, however, that since 1932 the income available for the preferred stock has tended to decline. This is not altogether unusual considering the business situation in recent years, but in view of a further increase in the issued preferred stock, is worth watching.

Manitoba Power

I hold some of the first mortgage bonds of Manitoba Power Co., and I received no interest on the last interest payment date. I would like to know if there have been any new developments in connection with the company.

Manitoba Power bondholders recently approved a plan of reorganization, under which its securities will be exchanged for those of Winnipeg Electric Co.

Under the terms of the plan the first mortgage bondholders of Manitoba Power will receive in exchange new series A general mortgage bonds on a par for par basis, and nine Class A shares and $70 face value contingent certificates for each $1,000 of bonds exchanged.

Interest on the new bonds is being paid from and after January 2, 1935, at the rate of four per cent per annum for the first seven years and five per cent per annum thereafter, both amounts fixed.

Dosco

Among my holdings are some of the B shares of Dominion Steel and Coal Co. I would like to have your opinion on the current position of the company and if there is any likelihood of a dividend on the stock.

Dominion Steel & Coal has improved its position in the last couple of years, due largely to assistance from the Dominion Government, in the way of steel rail contracts placed by the railways, and subventions on coal shipments. Aside from this help, however, the company has strengthened its position, and the outlook is considered fairly promising. There does not appear to be anything in prospect for the B stock in the near future, as the company has yet to pay interest on its own bonds.

Beauharnois

Cancellation of the contract between Ontario Hydro and Beauharnois Co. has created quite a bad situation for Beauharnois bondholders. Do you know what steps are likely to be taken by the management to put the company in a sound position?

The position in regard to Beauharnois Power Corp. continues rather involved. Apparently it is not the intention of the Ontario Hydro to enter into a new arrangement with Beauharnois for the continued supply of power. With this market cut off, it is doubtful if Beauharnois will be able to develop a new outlet for power in time to provide sufficient revenue to enable the company to meet interest charges when they become due on the general mortgage bonds. Consequently there is in prospect a further reorganization of the company, which might not involve any further cutting down in capital values but would almost certainly mean the continued deferment of interest payments.

C.S.L.

We have a customer holding Canada Steamship first mortgage bonds, 6 per cent, due 1941. We would like to have your report on the company, together with the present market value of the bonds.

Canada Steamship Lines' operating revenues for 1935 are understood to be somewhat less than in 1934, due to a rather unsatisfactory grain moving season. Returns from the other divisions were satisfactory. The biggest improvement in the company's financial position last year was in connection with bank loans, which were retired.

The company is better off than it was two years ago, but a great deal remains to be done before it is on a sound footing. The bondholders' protective committee is still alive, but so far no plan has been made for a capital reorganization of the company. Meanwhile the policy appears to be to let the company carry on with the hope that with a return to more normal business, finances will be in better shape and the reorganization can be carried out in a manner satisfactory to all parties. The six per cent bonds have risen close to 60, apparently in anticipation of improved business in 1936.

International Power

In looking about for an investment, my attention has been directed to International Power 6½ per cent debentures. I would like to have your opinion on this company, particularly as to whether or not earnings are sufficient to cover the debenture interest.

International Power Co. controls a number of public utilities operating in Newfoundland, Bolivia, Demarara, Venezuela, Porto Rico and elsewhere. Income from these properties has fluctuated at times in recent years due to a variety of causes, chief of which has been exchange.

This factor has been largely eliminated of late, with the result that earning power of the company has shown signs of betterment. During 1934 International Power reported consolidated income available for debenture interest of $844,503, compared with interest requirements during that year of $318,270. While the company has not issued interim figures on revenue during 1935, it is anticipated that the report will make as favorable reading as that for the previous year.

Beatty Bros.

What do you think of Beatty Bros. preferred stock?

Beatty Bros. first preferred offers a six per cent yield, selling at 100. The company manufactures a big range of both household and barn equipment at Fergus, Ontario, for both the domestic and export trade. It earned its preferred dividend by a satisfactory margin in 1935. It is likely to get increased competition because of the recent Canada-United States trade treaty, but, on the other hand, should benefit from any increase in agricultural income in Canada. The two influences offset each other. In view of the diversity of the company's products, its experienced management and its ability to pay dividends through the depression, the preferred has attractions. There are no securities senior to the first preferred shares.

Steel of Canada

I would like to have your comments on the advisability of holding 25 shares of Steel of Canada stock which I purchased at $36 a share.

Steel Co. of Canada's common stock is highly regarded as an investment medium. Over the last twelve months, operations of the steel industry have shown recovery, with the result that earnings of Steel Co. of Canada have advanced to the point where the management felt justified in declaring an extra dividend of $1.42½ a share on the common stock. The statement for last year when published is expected to show general improvement. Earnings were $3.40 a share in 1934.

In view of the fact that you purchased your stock at a level considerably below the current market value, there does not appear any reason for disposing of the stock as you are securing a satisfactory income on your original investment.

Brantford Cordage

I am considering the purchase of Brantford Cordage preferred stock. Do you consider this a good investment?

Brantford Cordage first preferred has earned its dividend of $2 a share by a wide margin in the last two years. In 1931, 1932 and 1933, however, the company did not cover its preferred dividend. The company's long history, however, shows satisfactory earning power for a firm that depends upon sales to the agricultural industry. It concentrates almost entirely on the manufacture of binder twine, and sells both to the domestic and export trade.

Whittall Can

Will you be kind enough to let me have a complete report on the Whittall Can Co.? I would like particulars of its capitalization, interest, earning power, etc.

Control of Whittall Can Co. was purchased recently by Continental Can Co. of Canada, a subsidiary of the Continental Can Co. Inc., New York. Following this deal the preferred stock, amounting to $1.9 millions was called for redemption, on January 20. Consequently the company now has only one class of stock outstanding, namely 130,000 shares of no par value common stock. There are no bonds.

During the early part of the depression, Whittall Can Co. purchased a number of canning companies chief of which was the Associated Quality Canners. The result of this policy was not particularly beneficial to the company. While a market was assured for Can products, the financial returns were disappointing. At the same time it was necessary for Whittall Can to guarantee the bank loans of Associated Quality Canners, which at the end of February, 1935, totalled $550,000.

Despite the rather unsatisfactory showing of the canning subsidiaries, Whittall Can itself has shown a steady increase in earning power. In the 1935 fiscal year, the company reported an operating profit of $325,749, which after taking care of senior charges, was equivalent to $11.28 a share on the preferred stock and 70 cents a share on the common stock.

The entry of Continental Can into the Whittall Can picture is expected to strengthen the position of the latter.

Dominion Stores

Will you kindly give me a report on the financial position of Dominion Stores? Do you think it would be wise to buy shares at this time to hold for a substantial increase?

Dominion Stores will show a loss for 1935. In the first six months, the company depleted earned surplus by some $370,000, to take care of write-offs on inventory, and to allow for special expenditures in connection with renovation of stores.

The company had a working capital of $2.2 millions last June. This is ample to enable the company to finance its operations. The capital consists of 282,382 no par value shares, the only securities outstanding. Hence, if and when the company recovers its once substantial earnings, they will be applicable entirely to the common shares.

The shares have now risen to about $11 each. This is based on a more optimistic view of the prospects for 1936 business. In the last few months, sales of the company have tended to increase, after a long series of decreases. Due to rehabilitation of the company's store properties, inventories and revision of merchandising methods, it is believed that the outlook has improved. You should remember, however, that the company ran into severe competition in the Montreal area where it operates over 100 stores. If the Montreal situation is rectified, there is good reason to believe that the company can show substantial earnings.

Dominion Textile

It would be appreciated if you could let me have details as to the present and past dividend policy of the Dominion Textile Co. I would also like to know how earnings have compared with dividend payments and whether or not the management will continue the present dividend policy.

The present dividend rate of $5 a share on Dominion Textile common stock was established on July 2, 1934. The former rate was $4 a share per annum from April 1, 1933, up to April 1, 1934. Previous to this the rate was $5 a share per annum beginning April 1, 1925.

Future dividend policy of Dominion Textile will naturally be influenced by earning power of the company. Up to 1931, the company reported the dividend as earned. In 1932, the share earnings totalled $4.44 and the dividend $5. The following year, earnings dropped to $1.80 and the dividend to $4.75 a share. In 1934 earnings increased to $6.25, while the dividend paid amounted to $4 a share. For the year ended March 31, 1935, earnings dropped to $4.30, but the dividend paid totalled $5.

There is no official word as to earnings during the current fiscal year, but the expectation is that there will not be any marked improvement. Meanwhile there is no intimation of a change in the dividend policy.

INTERNAT. PAPER NOW SHOWS SIGNS OF BREAKING EVEN

Kraft Operations and Better Newsprint Conditions Help Earnings

From Our Own Correspondent

MONTREAL. — International Paper and Power Co.'s earnings statement for the last quarter of 1935 is expected to show a small profit, compared with a computed loss of the same quarter in 1934 of something over $100,000.

This would be in sharp contrast with the first nine months of 1935, for which period International had a loss of $2.8 millions, or an average for each quarter of about $940,000. The loss in the third quarter was $901,636. Seasonally the third quarter is the poorest of the year for the company and a loss in that period below the average of the two preceding quarters is indicative of the improvement in the business.

Reasons for Betterment

A large share of the improvement is attributed to the operations of the company's subsidiary, Southern Kraft Corp. These operations have been increasingly profitable in recent years, with the result that losses from newsprint have been largely offset by the profits from the Southern activities.

Another factor making for improvement in earnings of the paper company is the heavy rate of newsprint production and consumption, plus the $1 a ton price advance on newsprint which became effective at the beginning of this year.

The Woman Investor

Honest But Harmful

IN A small Ontario village, where the financial community consists of two local bank managers, lives a woman whose income is largely derived from first-grade bonds and industrial preferred stocks.

With an annual yield around 5 per cent from these securities, and a yearly income in the neighborhood of $4,500, the woman has ample means. Living costs are low, and the social, church, and community life of the village does not call for large expenditures in any direction. Since the death of a close relative, through whom she acquired the securities, the woman's financial affairs have been carefully supervised by the family solicitor.

A satisfactory state of affairs, while it continued, but, without first-hand information of the investment markets, the woman has recently instructed her solicitor to make changes in the investment portfolio. They are changes which, in the solicitor's opinion, are unwise. In character, they are definitely speculative, and he has so advised his client.

* * *

Open to Suggestion

ENQUIRY revealed that, having little to interest her outside her immediate village circle, the woman was open to suggestions for "increasing her income" contained in various pieces of financial reading matter arriving by mail.

Her name, of course, appeared on various shareholders' lists, and these in turn had found their way into the hands of various brokers or promoters who placed the woman's name on their mailing lists.

Much of the mailed matter concerning new or speculative stocks passed unread, but as more arrived, the woman gradually acquired an interest in recommendations made regarding various stocks. The stocks themselves were of different types. Some were speculative non-dividend payers. Others were even less attractive from the standpoint of the woman's requirements, but they offered attractive possibilities for the speculator.

* * *

Sound—But Unsuitable

THE difficulty lay in the fact that neither of the two local bank managers, or the woman's solicitor could honestly condemn the securities as unsound.

They were not.

Everything said about them in the various brokers' letters was correct and investigation showed that the brokerage firms themselves were reputable and well known.

The securities, however, were entirely unsuited for the purposes of the woman to whom they were recommended, and in acting on the suggestions her comfortable income position has been impaired, in favor of a speculator's risks.

Obviously it is a case where perfectly sound advice, intended for one type of speculator, may do serious harm merely because it was broadcast indiscriminately to an entire shareholders' list.

If advice is sought for a case of heart disease, a heart specialist is consulted; not a horse doctor. For the same reason, women investors are well advised to ignore advice that is broadcast to the world unless they take the trouble to discover whether it is sound advice in relation to their own needs and circumstances.

N. B. Telephone Lowers Rates on Toll Traffic

From Our Own Correspondent

MONTREAL.—New Brunswick Telephone Co. announces a reduction in long distance telephone rates.

Night rates on person-to-person calls to all points become effective at 7 p.m. each evening during week days. Formerly there were no reduced night rates on person-to-person calls to points outside New Brunswick, and in New Brunswick reduced person-to-person rates became effective at 8.30 p.m.

A new feature is introduced with this change of rate, that of reduced rates all day Sunday.

This is the second important reduction in long distance rates within a year.

Dominion Bridge Awarded Contract for Quebec Bridge

From Our Own Correspondent

MONTREAL. — Contract amounting to $107,650 for the rebuilding of the main bridge over the St. Anne River, St. Anne de la Perade on the Montreal-Quebec highway, has been awarded to the Dominion Bridge Co.

Union Gas Company of Canada
Limited

4½% First Mortgage Sinking Fund Bonds

Due December 1, 1950

PRICE: 98 and accrued interest, to yield 4.68%

The Union Gas Company is a public utility enterprise engaged in the production of natural gas from Company-operated wells; the distribution through its own pipe lines; and the sale directly and through subsidiaries to domestic and industrial consumers located in London, Windsor, Chatham, Sarnia and more than forty other municipalities in South-western Ontario.

The Company has large proven reserves of gas as a result of its consistent and aggressive policy of development. Information with respect to the operations and financial position of Union Gas Company of Canada, Limited and further details relative to these bonds are contained in the official circular available upon request.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

Canadian Pulp and Paper Association Meets Shortly

From Our Own Correspondent

MONTREAL.—Arrangements have been completed for the annual meeting of the Canadian Pulp and Paper Association, which will be held in Montreal from January 29 to February 1.

The meeting of the technical section will get under way on January 29, as will also those of the woodland section. The former will be under the chairmanship of W. S. Kidd, of E. B. Eddy Co., and the latter under the direction of W. Delahey, of Canadian International Paper.

Raw Fur Production

Canada's raw fur production in the season 1933-34 had a market value of $12.3 millions, an increase over the preceding season of $2 millions, and over the season 1931-32 of $2.1 millions. The production comprises the pelts of fur-bearing animals taken by trappers and pelts sold from fur farms, the value of the latter constituting approximately 30 per cent.

Beausejour Building

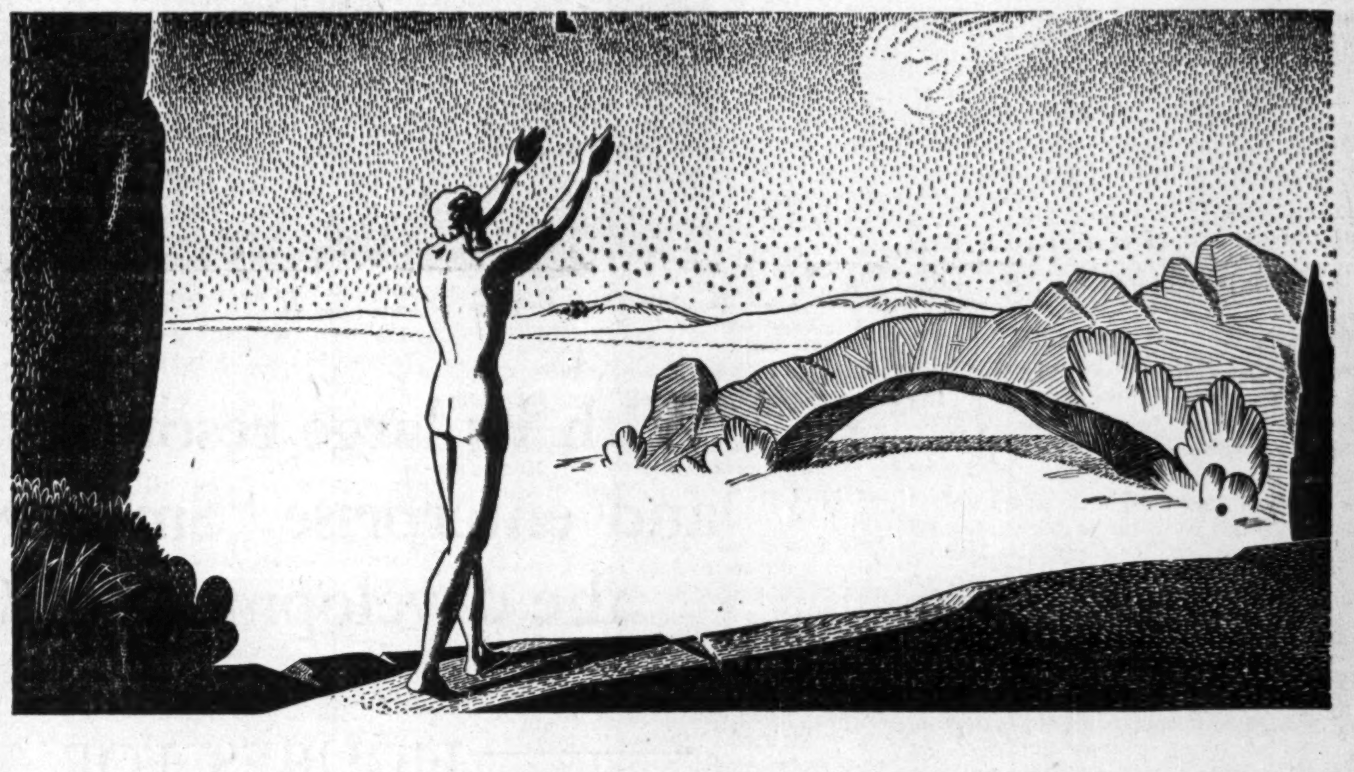
The Winnipeg Supply and Fuel Company has been given the contract to erect the federal building at Beausejour, Man. It will be two stories in height of brick construction. Work will start in the spring.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
Assets over $14,000,000
3% PAID ON DEPOSITS 3½% ON DEBENTURES
Archibald McPherson, *President.* T. H. Main, *Manager.*

CHAMPION MORTGAGE
CORPORATION – LIMITED
EDMONTON VANCOUVER
CALGARY VICTORIA
SASKATOON REGINA

THE LONDON AND WESTERN TRUSTS CO. LIMITED
Established 1896
Executors, Administrators, Etc.
Offices at: London, Toronto, Windsor, Winnipeg, Vancouver.

The WESTERN SAVINGS AND LOAN ASSOCIATION
WINNIPEG
AGENCIES
McCallum Hill & Co., Regina
Butler Byers Bros., Ltd., Saskatoon
F. J. Lorimer & Co., Edmonton
British Canadian Trust Co., Lethbridge
Equitable Agencies, Ltd., Calgary



THE MODERN PROMETHEUS

IN MYTHOLOGY, Fire—the great civilizing factor—was brought from Olympus by Prometheus who gave it to humanity. Since that time mankind took seven-league strides towards civilization.

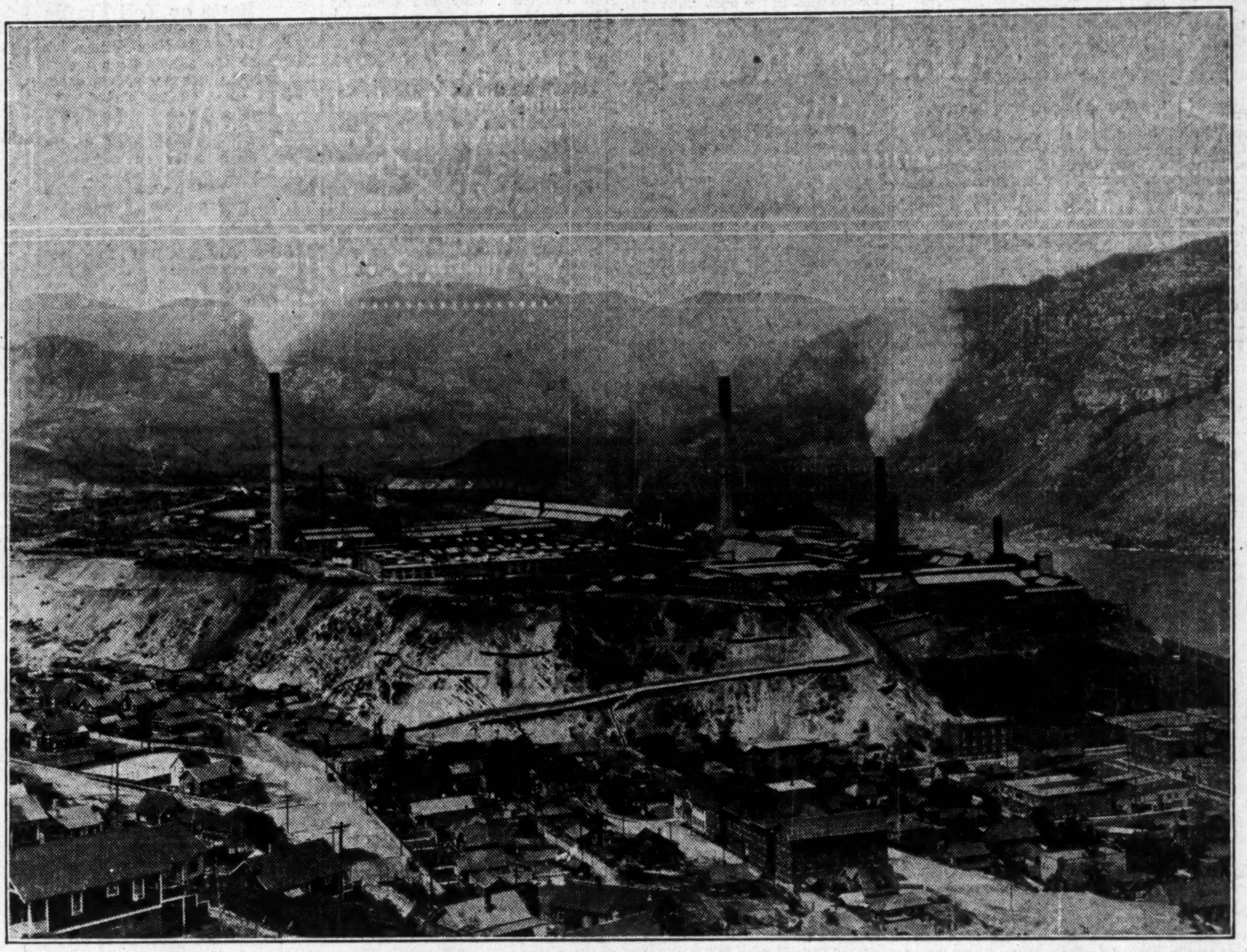
. . . .

TODAY the national magazine acts the part of Prometheus to hundreds of thousands of people. It brings them new civilizing ideas. It raises their standards of living by educating them on new refinements, new services and new products. Supervised by the trained mind of its editor, containing articles by well-informed contributors—the magazine is continually pioneering—blazing a trail editorially for meritorious ideas. Automobiles, electric and domestic appliances, food products, health and beauty preparations and other lines of modern merchandise owe much of their success to the educational value of the magazine. *In one instance alone, a single magazine article founded a prosperous industry and changed a hamlet into a thriving town.*

THE NATIONAL MAGAZINE is the logical medium to advertise nationally. It creates desire; it creates standards of living; it creates enjoyment; *most important of all, it creates buying among a group that represents the most active purchasing markets of Canada.* No finer advertising medium exists than the national magazine which establishes in its editorial and advertising columns a mutually profitable liaison between its readers and manufacturers of worthwhile products.

National Home Monthly • Canadian Home Journal
Canadian Magazine • Chatelaine • Maclean's Magazine
PROVIDE A NATIONAL COVERAGE ACROSS CANADA

Strengthening the Flow of Canada's Economic Life Stream



Smelting and Refining Plants, Trail, B.C.

With its large resources and its experience, research and enterprise "Smelters" continues to pioneer in the development of Canada's mineral wealth

FIGURES FOR THE LAST DECADE
(1926 - 1935)

PRODUCTION

LEAD	2,904,965,000 Pounds
ZINC	1,788,950,000 Pounds
COPPER	84,796,000 Pounds
GOLD	324,830 Ounces
SILVER	68,887,540 Ounces

Also

BISMUTH CADMIUM FERTILIZERS

EXPENDITURES

WAGES AND SALARIES	$75,833,000
RAILWAY FREIGHT	$39,775,000
SUPPLIES	$116,000,000

The
Consolidated Mining and Smelting Company
of Canada, Limited

Head Office: Montreal • **General Office: Trail, B.C.**

THE FINANCIAL POST

SECOND SECTION

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Empire's Premier Travelling Salesman Ascends Throne

New King Has First-Hand Knowledge of World Trade and Finance—Travels 600,000 Miles—Big Business Man Himself

By WELLINGTON JEFFERS

KING EDWARD VIII., King of Great Britain and Ireland and of the Dominions beyond the Seas and Emperor of India, has acquired in his 41 years of life more first-hand knowledge of the British Empire and of the world at large than any other monarch, alive or dead.

As Prince of Wales he has used his travels, his experience, his charm and his prestige to advance British interests. So well has this been done that the press of the world has unanimously dubbed him "Salesman of the Empire," "World's Greatest Commercial Traveller," "Commissioner of Empire Trade," "Ambassador of Trade" and "Royal Salesman." All such designations have appeared in the headlines in recent years. They have ousted the old unofficial titles which proclaimed him "Prince Charming" and "The White Prince."

Solidarity of the Empire and British interests in the world at large were so greatly strengthened by trips about the world aggregating more than 600,000 miles that one highly placed United States official at Washington said to a visiting Britisher: "Give us the Prince of Wales and we will cancel the whole war debt. We would have the best of the bargain."

* * *

Successor to Albert

NOT since Albert, Prince-Consort of Queen Victoria, has any king shown such interest in the trade, the industry and the finances of Great Britain and of the Empire. Albert awakened industrial and commercial England in the middle of the last century. But Albert had to fight prejudice of Englishmen against advice from a foreigner. He was revolted by what he regarded as a stagnation of ideas and by an inertia that was hard to displace because of settled complacency about the innate superiority of British goods to all other kinds. Edward has been tilting against complacency and stagnation of ideas of a different kind. But he is regarded as English to the core, and his speeches have had great effect.

But where Albert wanted greater application of science and art to industry, his great grandson has been counselling Britishers through the depression to get out and understand the world they are catering to. He has been told in his travels by thousands of potential customers that the British manufacturer is backward in adapting his goods to the taste of the time, and in general advertising and marketing sense. He counsels his fellow-countrymen therefore to study United States methods and not to sit back in the complacent but mistaken idea that their goods will sell themselves by sheer merit.

* * *

Fits Himself as Salesman

TO RECOVER and maintain British preeminence, he says it is absolutely necessary to train young men as international salesmen. He would have them instructed in economic geography, economic principles and in foreign languages. He stressed this latter idea repeatedly in speeches before he went to the Argentine in 1933 as "ambassador of commerce" to open the British exhibition at Buenos Aires. He apparently realized that example teaches more than precept because he got down to grilling work in studying Spanish. Having what his professors call "a remarkable aptitude for languages," he got far enough ahead so that he was able to make Spanish speeches in Central America, Peru, Chili and Argentine. He talked to his dance partners in that language. His mission was an immense success. His participation in the Exhibition led Britishers to double their space and the British Government to triple its contributions.

That visit placed Latin-American relations with Great Britain in the foreground on both sides of the Atlantic. He was not content with a showy success but on his return to London worked in season and out to stir up industrialists and others to wake up to the possibilities in days to come of the great South American market.

* * *

Long Training

THE new king has been trained for his present rôle for more than 100 years. The guiding principles of the education received by Edward VIII were present in the education of Victoria and of Albert. However, elaborated, changed, modified or extended by succeeding monarchs, all have realized that the continuing influence of the monarchy depends on each successor in turn living fully up to all the implications contained in the Prince of Wales's motto, "Ich dien (I serve)."

In England as well as elsewhere the hold of monarchy on men's minds was visibly lessening when Victoria ascended the throne in 1838. Albert and Victoria gave therefore concentrated attention to education of their children for the duties of their maturity. Edward and Alexandra did the same thing for their children and George and Mary also have kept up the tradition.

* * *

Business Man Himself

EDWARD VIII draws in a hereditary sense from Albert, Alexandra and Mary though it is natural to compare him most closely with his predecessors as monarchs. The Prince Consort and the Queens participate in the fact that he has most distinctly a good constitution as well as a very keen mind of his own.

He has gone farther than his predecessors in his perception of the truth that new occasions demand new duties. He has orientated himself completely, it would seem, to the new conditions of the world today. In fact, he is a step ahead of it. He has not retained an observable trace of that stupid and shackling snobbery which still leads some people of inherited wealth to turn up their noses at persons "in trade."

BUSINESS COURSE FOR A FUTURE KING—Good monarchs may be born but they also must be made according to the strenuous programme of training King Edward VIII laid out for himself as Prince of Wales. Above The Financial Post shows His Majesty getting out of his own airplane, opening a trade exposition in England, and another in Denmark, at his desk in London and chatting with Sir Edward Beatty on one of his three trips to Canada.

In the Panama, duty dances done, the present King, on a 1933 visit, asked a charming girl to dance with him. The wife of a local magnate asked the Prince's aide to let the Prince know the girl was assistant in a drug store. "What a jolly drug store that must be!" said the Prince and asked her for another dance.

Edward VIII has had to be a good business man as Prince of Wales to administer the affairs of his Duchy of Cornwall. His great grandfather Albert first put the Duchy on a solid basis and multiplied revenues from the mines and industries. In 1927 the Prince of Wales got $364,000 a year from this source. The effect of the depression on it has not been divulged. He may transfer this revenue to the Duke of York as heir presumptive as there is no Prince of Wales. He will also have nearly $2.4 millions as king from the Civil list. In 1934 he got $425,000 from the Duchy of Lancaster and there are other sources. He managed the Jubilee trust for his father and it is reported that his secretaries have to show as much efficiency and celerity as they would if employed in any modern office.

* * *

Fights Depression

DURING the depression the new King has concentrated on business and industrial needs of the realm, on foreign trade, unemployment and relief. He has undertaken many visits like the one to the Argentine. He has been strenuously and officially "entertained" in country after country, day after day, from dawn to the wee small hours of the next morning. "He has a cast-iron constitution," says one who tried to follow him.

Fond of hunting, he has sought sport in the hottest and wildest spots on the earth. But he returned from mid-Africa to England and threw himself just as strenuously into filming his adventures in order to turn the money thus gained over to charity. He took many of the pictures himself.

As movie actor and as flyer of his own and other airplanes he has done much to promote interest in the remarkable development of the moving picture industry in England and in popularizing air travel. Every time he changes a coat or a hat or a shoe or a tie or leaves off his vest, he affects the textile industry because young men the world over adopt his styles.

* * *

Not Bound By Tradition

IN THESE days he makes a better constitutional king because he does not think there is "a divinity doth hedge a king." In Belfast and in other cities of the world he has evaded his guards to roam with the populace. He is as interested in a miner, a private soldier, a sailor, a farm laborer, a chauffeur, a salesman or a reporter as in the "big guns" of the world, and more interested if they have something vital to say.

Some seem to think that the responsibilities of kingship will tie him down and that he will not be as able to take the lead in measures for the good of trade and commerce as hitherto. He has already broken through traditions which he considers outworn. It is altogether likely that he will, within constitutional limits, exert strong influence toward those measures which lead to recovery. When he is keen, experienced and disinterested, the monarch can give greater service in disguised republics such as England and the Dominions than he could if vested with absolute powers.

The Financial Post has gathered together here excerpts from various speeches made by the Prince during the depression. They show exactly what measures he thinks are needed to counteract the depression. He takes the rôle of adviser, this king who has never had an official course in business. He tells manufacturers, business men, young men, exactly what they should do. And his counsel is based on more actual observation than is possessed by few if any other individuals.

At Birmingham in 1931 he stated:

"The whole world is concerned to see that the fortunes of this country are solidly established. We cannot rest content with our fortunes while so many of our people are unemployed and so many of our producers find it difficult to market what they have grown.

* * *

Stresses Team Work

BUYING British implies selling British," he continued. "Those two phrases together 'Buying British' and 'Selling British' imply a long process of team work, stretching back from the retail shops through all the channels of transport and distribution to the farmers where British produce is grown, and to the factories where British goods are manufactured.

"The manufacturers in this team work must produce goods of sound quality at reasonable prices. Agriculturists must do likewise, grading produce and studying public taste. Both must enlist the scientific research worker. They must learn to market products on modern lines. They must see to it that the public is told what they have to sell. They must seek out new sources of supply here in the Empire.

"There has been a remarkable advance in Empire buying in recent years. Much more can be done. Here again, there is need for team work among all the peoples of the British Commonwealth. If my voice reaches the empires beyond the seas, I would ask them to redouble their efforts to do for us what we today are doing for them and to look to the United Kingdom or some other Empire country when they cannot supply their needs from their own resources."

* * *

Knows Canadian Conditions

AT Dominion celebration in Canada House, London, in 1933 he said:

"I naturally know Canada better than other parts of the Empire not only because it is closer, but especially because my ranch in Alberta has lured me over no less than three times since my first official visit in 1919.

"I am proud of my associations with Canada and am confident that her citizens are as confident of their recuperative resources as I . . . . ."

Again when addressing the Imperial Conference in 1930 he stressed his Canadian connections:

"The unguarded frontier between Canada and the United States is an example of what good feeling can do in the relations between nations.

"During the Great War, the British Empire demonstrated two outstanding facts: First of all, its own complete solidarity in the greatest brotherhood the world has ever known; second, its readiness to help in the building of a similar brotherhood among all nations."

In the same year he was guest speaker at a conference of scientific societies:

"It is dangerous to speculate before such an assembly on future developments. But I have been tempted to wonder whether I may not live to see lorries, in which the petrol tanks are replaced by bottles of compressed gas, and carrying agricultural products, grown with the aid of fertilizers derived from coal, to clean towns no longer defiled by coal as used today."

* * *

Wake Up, Britain

THE Prince of Wales, speaking in the sombre Guildhall at a banquet of the Incorporated Sales Managers, told his listeners that they must study the world's commercial trends if Great Britain is to regain its former place in the industrial sun:

"I appeal to British trade leaders to wake up thoroughly, to consider fully and to act decisively.

"We are by no means content even to stand still, but for several years we have been losing ground. The trouble, as I see it, is that we at home are the last to realize things which are common talk overseas among our foreign competitors and our customers.

"Can we improve marketing methods? Can we do anything by raising the quality and quantity of our representatives overseas and by making earlier use of all the young men of drive and pluck?

"When will our people wake up to what is happening and to the risks we are running by sticking to methods which were very well at the end of the last century but which are now entirely inadequate?

"You should visit markets abroad to study conditions on the spot and to establish personal contacts with customers' representatives and agents."

The Prince appealed to the secondary schools and the central schools to provide a growing stream of rightly-instructed graduates so that with their help "British trade will recover and maintain its legitimate position on the markets of the world."

To the Birmingham Chamber of Commerce, after his return from South America four years ago, he said:

"It was a very serious industrial crisis in England which led me to go to the Argentine to study openings offered us as manufacturers on that continent.

"When and how the clouds will lift, we do not know, but it is very important that we be first in the field when they do.

"I find, and I am sure you will agree, that we have come to a point where we must consider carefully the advisability of manufacturing in many cases inside tariff walls of other countries which have erected high tariff barriers. At least that would ensure a flow of British raw materials."

* * *

Must Advertise

SPEAKING at Manchester about the same period he urged more interest in modern advertising. "I am sorry to say that as a nation we are very far behind as regards advertising. This is one of our national characteristics. We do great things and invent great things which are of great value to the world, but we never let the world know what we have done.

"Our foreign competitors advertise a great deal, and foremost among them are our friends in North America. I have heard many Englishmen say that the American method of boosting their goods and the American form of publicity is very vulgar. That is entirely a matter of opinion, but the fact remains that our friends in the United States get away with it. To use one of their phrases, they can put their goods across.

"If we wish to push our goods better we will have to take a leaf out of their book."

"We forget that a change of taste has come over the world since the war. It is a world-wide change. In the past, an article sold mainly on account of quality and durability — that was because people could afford it. But today, people appear to desire goods that will not last so long. The first reason is, they want cheaper goods. Another reason is that we are always looking forward to some improvement. Another reason is that we have got in the habit of wanting a change for the sake of change. In fact, the taste of the world has become as fickle as women's fashions."

In an international radio hook-up, in 1931, he said, "With the people of Latin-America, personal touch means even more than it does with Englishmen. I found the biggest volume of business was done by those who took the trouble to establish personal connections. The criticism I heard most often of English goods was that Englishmen were supplying the goods of yesterday. Let us go one better and supply the 'goods of tomorrow'."

* * *

Scores Nationalism

TO THE International Congress of Commercial Education, London, July, 1932:

"If all employable labor were employed for a reasonable number of hours weekly, the world would have a volume of commodities and services enabling the entire population to live on a higher level of comfort and well-being than was ever contemplated in the rosiest dreams of the social reformer. The most urgent task is to secure the adjustments necessary to bring consumption and production into better relationship."

February 21, 1933. At the Mansion House, London. "No individual producer, no industry and no nation can command economic destiny single-handed. Nor can any of them pull through alone.

"The doctrines of economic self-sufficiency and exclusive nationalism spell disaster in the changing conditions of modern life.

"All the nations are realizing more and more that they are economically inter-dependent, but despite this encouraging fact we have not as yet found a fully effective form of international co-operation, nor a practical way to reconcile limited consumption with unlimited production."

December 11, 1935, at the annual meeting in London, of the Travel and Industrial Development Association of Great Britain and Ireland, the Prince supported his plea for more and better advertising by quoting with approval the following jingle:

"He who whispers down a well
About the things he has to sell
Will never reap the golden dollars
Like he who jumps around and hollers."

Brazil and Brazilian Traction—Free Trade with United States

A Tale of Brazilian

Editor, The Financial Post:

I notice that one article in a recent issue of The Financial Post refers to newspaper dispatches that lay great stress on "Communism" in Brazil. I wonder if this is not somewhat of a bogey man, and if a Communist party really exists in Brazil.

It happens that I resided in North Brazil and in Rio for many years, have witnessed many "revolutions," and was a resident of Rio when the "bloodless revolution" of October, 1930, took place. I never heard the word "Communism" mentioned as existing in Brazil until the Monday following the deposition of President Washington Luiz. On that day some insignificant street fights were immediately attributed to "Communism."

The "Green Shirts"

There does exist, openly, in Brazil an organization known as Integralistas, headed by Plinio Salgado. His "green shirts" are about the only ones that I have ever heard express any antagonism toward foreign interests and they are not Communists but a sort of Fascists, in a mild way.

I enclose clipping from Diario Carioca of Rio de Janeiro about Brazilian. It certainly speaks in kindly terms of Sir Alexander Mackenzie, former head of Brazilian and from what I saw of him and knew of him personally I believe that the sentiments expressed are sincere. Sir Alexander was often seen walking alone in the main avenida of Rio and Brazilians have often laughingly remarked to me that Sir Alexander and the president of the Republic could walk unguarded in the city which was more than the president of the United States could do. So I wonder if the apparent antagonism to the Brazilian Traction has not some other foundation than "Communism."

A Sound Corporation

Personally I believe that Brazilian Traction is a sound corporation and merely suffers from absentee ownership. You are to be congratulated for your courage in openly discussing the apparent danger that some parties claim threatens it. Possibly all it needs is more interest on the part of the shareholders.

Absentee Direction

Apropos of absentee direction of corporations, there is a story concerning the Missouri Pacific when George Gould was president of the road.

He spent much of his time in Europe aboard his yacht and only inspected the road at rare intervals. On one of these occasions his train stopped at a water tank. Beneath his compartment there arose a great hammering and an outburst of lurid language with a strong Celtic accent.

Very much annoyed the magnate descended from the car and, peering beneath, discovered an Irishman calling down the curses of all the saints upon the high administration of the road.

Mr. Gould was offended and asked the gentleman in overalls what the trouble was. The latter, with much profanity, said that there was a wheel with a huge crack from tire to hub and that the road was bound for perdition.

Mr. Gould asked the Celtic gentleman if he knew whose ears he was offending.

That person replied, "Of course I do. You are George Gould, president of the road. I have worked for the road for forty years and for your father when he was president. And I think he will be president again."

"But," replied George Gould, "my father is dead."

"Sure I know that," replied the Celtic gentleman, "but isn't the road following him as fast as possible?"

I do not mean to insinuate that Brazilian Traction is headed for the place that the car inspector seemed to think the Missouri Pacific was bound for but I do think that a little more of Sir Alexander's tactics might be applied to the advantage of the shareholders.

CHAS. J. SEIBERT.

Washington, D.C.

Free Trade?

Editor The Financial Post,

May I add a word more on the subject of trade restrictions between the U. S. and Canada?

In your issue of January 11, Walter A. Davisson, in commenting on my previous letter, wonders if I could have had in mind the industrialists of Canada when trying to make my plea for free trade relations.

Frankly—yes. It is the industrialists in both countries who are primarily responsible for our tariffs. It has always been so in the United States. A hundred years ago the cotton belt in the south didn't want tariffs. Cotton was, and still is, their main product, only a minor portion of which could ever be used in the United States. Those cotton farmers being very similarly situated as are now the Western Canada wheat farmers.

Of 67 Congressmen sent to Washington from this cotton belt 100 years ago, 65 were unitedly opposed to tariffs. The industrialists of the north put over the protective tariff idea in spite of them. And now the chickens hatched from those mistaken national policies from way back history in the United States, are coming home to roost.

As evidence of this statement, witness the terrible gropings of our last two national administrations searching for some way to relieve the plight of that division of our population typified by the 65 southern congressmen of a hundred years ago.

I would (if I could) induce Canada to avoid some of the pitfalls out of which the U. S. is now struggling to emerge.

Why these two countries, differing in politcal set-up only in minor details, should have trade barriers between them, I fail to see.

Was there ever, in history, such a comparably favorable natural layout for two big nations to lead the way and set the pace for the rest of the world toward economic freedom?

A. C. ANDREWS,
Pres., Andrews Grain Co.
Minneapolis.

Quebec Has Major Drop Life Sales

Decline in 1935 Largely Attributed to One Province

THREE AREAS GAIN

Ontario, B. C. and Newfoundland Show Higher Sales Than in '35 — Year's Figures Analyzed

Despite considerable improvement in Ontario, British Columbia and Newfoundland, sales of ordinary life insurance in Canada finished 1935 betwen 2 and 3 per cent behind the corresponding figure for 1934 according to final figures compiled by the Sales Research Bureau. Lower sales in Quebec province was a major factor in the decline.

The figures include only ordinary business paid-for in Canada and Newfoundland and are exclusive of pension and annuity sales and also industrial and group business. They are compiled from the records of 19 companies which at the beginning of 1935 had in force 90 per cent of the total business outstanding in these two countries.

Quebec Down 10 Per Cent

Analysis of the provincial figures discloses Quebec as the chief nigger in the insurance woodpile during 1935. Ontario and Quebec between them produce normally over 70 per cent of the ordinary life insurance written by these companies in Canada and Newfoundland. Comparative figures disclose that in 1935 Ontario sales gained by 2.4 per cent while sales in Quebec were lower by almost 10 per cent. Sales in New Brunswick during 1935 were lower by an almost similar percentage but they do not of course bulk so large in the grand total as do the figures for Ontario and Quebec.

Sales in both British Columbia and Newfoundland were approximately 5 per cent higher than for the same period last year. Both of these areas are the only ones to report higher sales in 1935 than in either 1934 or 1933.

Comparative figures for the past three years follow:

	1935 ($ 000)	1934 ($ 000)	1933 ($ 000)
British Columbia	26,951	25,657	25,913
Alberta	14,970	15,808	16,570
Saskatchewan	13,163	13,442	14,844
Manitoba	19,558	21,094	22,346
Ontario	161,316	157,543	165,341
Quebec	106,063	117,703	124,815
New Brunswick	9,096	10,109	9,678
Nova Scotia	13,595	13,696	13,384
Prince Ed. Island	1,245	1,404	1,136
Newfoundland	3,427	3,258	2,999
	369,384	379,714	397,026

December Total Lower

Analysis of December sales shows the total about 3 per cent below the corresponding figures for 1934. This decline is due again largely to Quebec which reported sales lower by 12.7 per cent than for the corresponding period in 1934. Sales in Alberta and Manitoba were also lower with all other areas showing gains. Most provinces also reported sales higher in December than in the previous month. Comparative figures follow:

	Dec., 1935 ($ 000)	Dec., 1934 ($ 000)	Nov., 1935 ($ 000)
British Columbia	3,055	2,923	2,620
Alberta	1,770	1,846	1,251
Saskatchewan	1,476	1,472	1,320
Manitoba	1,749	2,256	2,137
Ontario	15,487	15,129	15,599
Quebec	9,836	11,271	9,540
New Brunswick	1,046	985	906
Nova Scotia	1,549	1,375	1,256
Prince Ed. Island	166	96	138
Newfoundland	416	338	391
	36,550	37,691	35,158

Three Monthly Gains

Analysis of sales by months shows that on only three occasions—January, August and September—did 1935 sales exceed those of the same month a year ago. Only in January and February did sales exceed those of the corresponding month in 1933. Comparative figures for the three years follow:

Sales by Months, 1933-35
(000's omitted)

	1933 $	1934 $	1935 $
January	29,928	27,728	32,988
February	28,095	29,036	28,716
March	31,768	32,564	31,416
April	30,591	33,296	28,900
May	31,916	33,184	27,423
June	34,114	32,277	32,112
July	32,165	33,951	32,155
August	29,749	26,659	26,854
September	27,443	26,123	26,696
October	33,434	31,342	30,416
November	36,061	35,863	35,158
December	36,967	37,691	36,550

Figures represent new paid-for ordinary business by 19 companies having in force at Jan. 1, 1935, 90 per cent of the total business in force in Canada. Figures represent both Canada and Newfoundland and are prepared by the Sales Research Bureau, Hartford, Conn.

U. S. Figures

Comparative figures for insurance sales in the United States show that for the 12-month period sales of ordinary business were higher by 1 per cent than in 1935 while total sales (including group and industrial business were higher by 2.5 per cent. Industrial business actually decreased by two-tenths of 1 per cent while group business soared 33.8 per cent due to the inclusion at mid-year of a single huge group placed by U. S. Steel which knocked previous comparative figures greatly askew.

The United States ended the year with sales of all types of business in December lower by 6 per cent as compared with the same month in 1934. This was due to the heavy falling off in industrial business which fell almost 22 per cent compared with December, 1934.

New Rate Book For Imperial Life

Effective January 1, Imperial Life Assurance Co. has issued a new rate book to its agency force.

The new rates are based entirely on the A. M. 5 table, but premiums show little or no change from the previous rates enforced by the company.

Surrender values have been substantially changed, particularly in the early years. Thus, the new rates show substantial decreases in surrender values, although in later years the valuations are virtually unchanged. For example, values formerly $25 will under the new rates schedule drop to $17 or $18.

Attacks Premium Taxes As Vicious Legislation

H. R. Stephenson Tells Underwriters to Aid Also in Solving Termination Problem — Points Lesson to Government

Canadian provinces (and recently Newfoundland) are the only British communities in the world exacting a tax on life insurance premiums, said H. R. Stephenson, general manager of Crown Life Insurance Co., before the annual meeting of the Life Underwriters Association of Canada at Toronto last week.

The meeting was held in conjunction with the regular January meeting of the Life Underwriters Association of Toronto.

"This tax is unjustified by any recognized principle of taxation and is evidence of the public apathy which has long existed," said Mr. Stephenson. He urged underwriters to "persevere in the good work of impressing on the people of this country the real significance of life insurance in Canada today and what it deserves at their hands."

Lesson to Governments

Mr. Stephenson pointed to the fine record of Canadian companies in maintaining their obligations to policyholders and urged governments to profit by the excellent lesson set in this country by the institution of life insurance.

"Within the past six years the insurance companies seem to have lived through a lifetime of investment experience. There was the collapse of the stock market; the fluctuations of foreign exchange; the difficulties and bankruptcies of many industrial companies; bondholders' committees, receiverships and reorganizations; crop failures in the West; unprofitable prices for farm produce; moratoria and creditors' arrangement acts affecting mortgage securities; all of these the life companies have coped with and surmounted with a reasonable degree of success.

Repudiation

"But today our attention is directed to an entirely new quarter, affecting even the highest grade of securities, government and municipal bonds. We hear talk of repudiation—a thing unprecedented in the history of Canadian governments—on the part of some few of those who have attained political power in this country. Surely it is doubly fitting at a time like this that we should stress one shining fact, namely, that never in the history of Canada has any life company ever failed to meet its lawful obligations to any policyholder or beneficiary or creditors of any sort.

"The companies have met their obligations and paid them on the nail without ever suggesting even a moratorium such as was granted in some other countries.

A Clean Record

"This clear record of no default is one of which life insurance men are justly proud and which they are determined to maintain. And I see small risk of that record being broken provided the governments of this country will do their part and leave no stone unturned to see to it that as governments they honor their obligations as faithfully as the life companies have always honored theirs.

"The federal minister of finance is giving splendid leadership to the forces working for an honorable solution of our national financial problems. At the close of the provincial conference at Ottawa last week he said, 'The credit of the Dominion of Canada must be maintained to the letter. We must pay our obligations in accordance with the terms of the contract.'"

Solving Termination Problems

A warning was given by Mr. Stephenson that underwriters must be ever alive to aid in solving the problem of insurance terminations which he described as "the most baffling problem of our business."

"The agency systems which have been followed on this continent and the liberal provisions incorporated in the policies and the sales methods and arguments employed have been brilliantly successful in their first objective, i.e., the issuance of a record volume of policies; but this has been accompanied, unfortunately, by a very high rate of policy termination. In spite of this high rate of termination the average amount of insurance in force per person is much greater in Canada and the United States than it is elsewhere, and it is sometimes argued therefore that we should be satisfied with things as they are.

"But this is not the consensus of those who have most earnestly studied the matter. A policy prematurely terminated generally means money lost to the policyholder, and it means a failure of life insurance to accomplish its intended purpose.

"Terminations constitute one of the most baffling problems of our business, despite the most strenuous efforts which have been put forth to reduce them to a minimum. They provide the most favored point of attack for hostile criticism, and with them is involved the question of heightened expenses and such unethical practices as twisting and rebating."

Annual Reports

London Life

Gains in total assets, total business in force, in total income and in free surplus are reported in the 1935 annual report of London Life Insurance Co.

New business issued during the year dropped substantially, the 1935 total being $78.4 millions.

Figures for new business issued in the company's ordinary, industrial and group departments in 1935 and 1934 are shown in the tabulation below, but the company points out that the 1935 totals exclude annuities and certain pension plans which, if they had been included, would have contributed some $7 millions to business issued in that year. If this adjustment is made it indicates a decline of 10 per cent in new business issued during 1935. The figures are all on a net basis—that is, exclusive of business reinsured with other companies.

New Business

	1935† $	1934 $
New Business Issued:		
Ordinary (net)	34,786,636	41,853,109
Industrial	41,785,777	49,939,813
Group (net)	1,859,509	3,168,925
Total	78,431,922	94,961,847
Insurance in Force (Dec. 31):		
Ordinary (net)	312,460,332	303,825,740
Industrial	169,987,083	*163,873,603
Group (net)	34,558,829	32,935,150
Total	517,006,245	500,634,493

*Includes $5,241,048 maintained in force by extended insurance benefits voluntarily granted.

†Excludes annuity and pension plans issued with estimated insurance value of $7,000,000.

Total assets crossed the $100 millions mark for the first time in the company's history. Chief items to show gains are the company's holdings of federal government securities which rose from $6.9 millions a year ago to $11.1 millions at the end of 1935. Cash on hand and in the banks is also sharply higher at $3.4 millions compared with only $831,000 at the end of 1934.

Policy loans also increased during the year by $1.2 millions the total at the end of 1935 being $13.9 millions. This total, however, still remains at 14.3 per cent of the company's total assets—an exactly similar ratio to the 1934 figure due to the increase in total assets that took place during the year.

First mortgages continue to be the most important part of the company's investment though the proportion is decreasing as seen in the following comparative figures:

	$	1935 %	1934 %
Invested assets			
First mortgages	42,844,843	44.07	48.71
Bonds & debs.	33,345,126	34.30	32.30
Loans on company's policies	13,907,820	14.31	14.31
Real estate (incl. H.O.)	2,797,269	2.88	2.67
Stocks	963,782	.99	1.08
Cash	3,356,978	3.45	.93
	97,215,818	100.00	100.00
Additional assets	3,345,097		
Total assets	100,560,916		

Policy reserves gained during the year by $5.5 millions while an additional $1 million was added to the company's mortgage and securities reserve which totalled at the end of 1934, $4 millions. In addition the company maintained a general investment reserve of $500,000.

At the company's annual meeting, reference was made to the fact that interest earnings during 1935 were maintained at 5.45 per cent compared with 5.46 per cent in 1934. In view of the prospect "of a steadily reducing rate in the years to come" the rate on moneys left on deposit with the company was reduced from 4½ to 4¼ per cent.

The company has now 580,601 policies in force compared with 561,984 in 1934. New policies issued in 1935 totalled 113,556. Payments to policyholders and beneficiaries totalled $8.3 millions, an increase of $500,000 of which $6.3 millions was paid to living policyholders.

Comparative figures for 1935 and 1934 in respect of key items, follow:

	1935	1934
Int. rate earned	5.45%	5.46%
Premium income	15,178,261	14,575,290
Int., rents, etc.	4,916,522	4,490,899
Disbursements to policyholders	8,350,920	7,852,822
Total assets	100,560,916	92,448,738
Mortgages	42,844,843	43,306,446
Mtge. inv. res.	4,000,000	2,500,000
Securities res.		500,000
Free surplus	4,047,357	3,655,941

Excelsior Life

A gain of 16 per cent in new business issued and a 38 per cent increase in new paid-for business was reported in the 46th annual report of Excelsior Life Insurance Co. presented at the company's annual meeting at Toronto last week.

According to Alex Fasken, president of the company, the percentage increase in the company's business was practically uniform for each province. He attributed the increase to "the further development of field service facilities, including new sales systems with individual portfolios for each agent, and the company's personal pension policy (a recently developed investment - protection policy with original settlement features) of which 1,360 units were sold in 1935 to a total of $4,632,000."

Total business in force gained $3.2 millions, but premium income received was slightly lower than a year ago. Interest earnings were maintained at 5 per cent compared with 5.31 per cent in 1934.

Of total assets, 53 per cent is invested in bonds and debentures which are taken in the balance sheet at book values for a total amount of $10.4 millions. Of this total over half is invested in federal or provincial bonds. Policy loans are slightly lower than the previous year and comprise 19.3 per cent of total assets.

During the year the company wrote $67,000 off western mortgage loans and real estate which is entered in the company's books at $839,000 or 4.33 per cent of total assets. Investment reserve is maintained at $700,000. Free surplus is slightly lower than a year ago at $1.4 millions.

The company elected to the board J. W. Spencer, Victoria—director of David Spencer, Ltd., Vancouver, to fill the vacancy caused by the death of Stewart Cameron, Vancouver.

Comparative figures for chief items in the company's report follow:

	1935 $	1934 $
New Business		
New business issued*	17,113,628	14,738,453
Bus. in force	92,313,319	89,074,734
Income and Disbursements		
Net prem. income	2,682,949	2,704,720
Total income	3,606,458	3,676,663
Death claims	516,402	470,013
Total policy paymts.	2,114,522	2,244,276
Interest earned	5.00%	5.31%
Assets and Liabilities		
Total assets	20,167,181	19,655,890
Bonds and debs.	10,350,792	9,555,740
Policy loans	3,744,480	3,895,676
Mortgages	3,813,335	3,799,264
Policy reserves	16,811,412	16,233,224
Inv. reserve	700,000	700,000
Free surplus	1,368,568	1,534,498

*Including revivals.

Maritimes Electric Output

The output of central electric stations in the Maritime Provinces during the first three quarters of 1935 amounted to 588 million kilowatt hours, as compared with 556.3 million kw.h. in the similar period of 1934.

Dominion President

J. E. MATTHEWS

Formerly branch manager at Brandon for North American Life, who was last week elected president of the Life Underwriters Association of Canada for 1936. Mr. Matthews was a candidate in the federal election last year.

MEMBERSHIP GAIN BY UNDERWRITERS SHOWN IN 1935

Dominion Association Holds Annual Meet — Officers Elected

The usual roster of presentations, and a membership report indicating a substantial increase in membership featured the annual meeting of the Life Underwriters Association of Canada at Toronto last week.

Framed parchments were presented to all previous past presidents of the association still living, including John A. Tory, who held that office away back in 1912. E. S. Miller, of Ottawa, was elected a chartered life member of the association for outstanding work during 50 years of activity in the life insurance business.

Election of officers for 1936 included the following:

President—J. E. MATTHEWS, C.L.U., North American Life, Brandon, Man.

Past-President — WM. A. KENNEDY, C.L.U., Manufacturers Life, Winnipeg, Man.

Provincial Vice-Presidents

British Columbia—K. G. MacKENZIE, C.L.U., Mutual Life of Canada, New Westminster.

Alberta—R. H. HOCKEY, Mutual Life of Canada, Calgary.

Saskatchewan—S. S. SQUAREBRIGGS, Metropolitan Life, Saskatoon.

Manitoba—H. HARDERN, C.L.U., Sun Life, Winnipeg.

Ontario—R. J. WILKINSON, C.L.U., London Life, Sarnia.

Quebec—N. MERCURE, Sun Life, Quebec City.

New Brunswick—L. A. CONLON, London Life, Saint John.

Nova Scotia—F. H. GOUCHER, Manufacturers Life, Halifax.

Prince Edward Island—E. C. JOHNSTONE, C.L.U., Dominion Life, Charlottetown.

Chairman, Board of Directors—F. C. HOY, C.L.U., Canada Life, Toronto.

Honorary Treasurer—H. C. HENDERSON, C.L.U., North American Life, Toronto.

Honorary Secretary—C. V. EARL, C.L.U., Sun Life, Toronto.

Registrar of Chartered Life Underwriters — E. NEWTON JORY, C.L.U., Great-West Life, Toronto.

Chairman, Active Board of the Institute of Chartered Life Underwriters—J. M. TORY, C.L.U., Sun Life, Toronto.

Chairman, Membership Committee — H. A. H. BAKER, C.L.U., Great-West Life Toronto.

Additional Members of the Board of Directors—B. VISE, C.L.U., Imperial Life, Toronto; JOHN ROSS, C.L.U., Travelers Ins., Toronto; E. L. SACKVILLE, C.L.U., Manufacturers Life, Peterborough; JOSEPH VIVIAN, C.L.U., London Life, Brantford.

Insurance Inklings

P. H. ROOS recently relinquished the active branch managership of the head office branch of Dominion Life Assurance Co. EARL E. PUTNAM will succeed him in this office but Mr. Roos will continue his connection with the company to produce new business and service old policyholders.

Mr. Roos's association with the company dates back 44 years—two years after the establishment of the company. In that time he has sold more business and has more business on the books than any other representative who has ever been connected with the company. Tribute was paid to Mr. Roos by both Ford S. Kumpf, president, and Thomas Hilliard, founder of the company, at a presentation held by the directors and officers of the company.

* * *

W. MALCOLM MUNGAVIN has been appointed manager for the British Isles by Crown Life. For the past ten years Mr. Mungavin has been with Canada Life.

H. G. CLARK has been elected president of the Stratford Life Underwriters Association. D. A. CAMPBELL was elected vice-president.

WILLIAM GLEN was recently appointed branch manager in Calgary for the Dominion Life. He has been 13 years with the company and was formerly at Winnipeg.

Tariff Insurance Rates Unchanged on Automobiles

Public Liability Rates Considered Low But Canadian Underwriters' Association Defers Action for Another Year

Although the opinion was generally expressed that public liability rates are too low, the Canadian Underwriters' Association last week decided that there would be no change in tariff rates on automobile insurance in 1936. The meeting considered that this business should be considered as a whole, and that various phases should not be dealt with separately. A small minority of the Association's members felt that the rates should be jacked up.

Reasons

Reasons given for the decision were three. In the first place a complete change of rates was made last April. The figures available on business since then are not regarded as sufficiently complete to work out an accurate picture of their effect. Then agents throughout Ontario and Quebec have been complaining that frequent wholesale changes in rates disturb their business. Finally, experience in Ontario has shown that the deficiency over all lines has been small—about four per cent.

Non-tariff Competition

One member of the association stated to The Financial Post that the rates set last year were designed to regain some of the business which had been attracted to non-tariff companies because of the lower premium cost. As there has not been a full year in which the actual results of the reductions then introduced could be calculated, it was felt that there was no adequate basis of comparison. Consequently, it was resolved to defer any action until another year. Officials of the association state that Lloyd's competition was not directly considered in reaching the decision.

While the decision of the association applies only to Quebec and Ontario, it is understood that no change in existing rate schedules is contemplated in other provinces.

Disappointing Year

Automobile underwriters on the whole report a rather disappointing year in 1935. While no definite figures are available for the business generally, it seems probable that an increasing number of accidents and claims, legitimate and otherwise, will bring loss experience for the year up to and possibly in excess of that of the previous year. At the same time, premium volume, in some measure due to the decrease in rates, is expected to be about ten per cent under the 1934 total.

Lloyd's Pay $2.5 Millions To Offset Loss of Trade

Insurance underwriters at Lloyd's, London, will pay out a sum estimated at $2.5 millions to reimburse merchants for loss of trade arising from the death of King George. Most of this represents losses accruing from cancellation of social functions and from reduced buying during the period of mourning.

A great many Englishwomen will follow Queen Mary in strictly observing six months mourning. During this time they will be conservatively clothed and new purchases of clothing will be at a minimum. Theatres were closed for an indefinite period following the late King's death. Many other branches of trade stand to lose substantially.

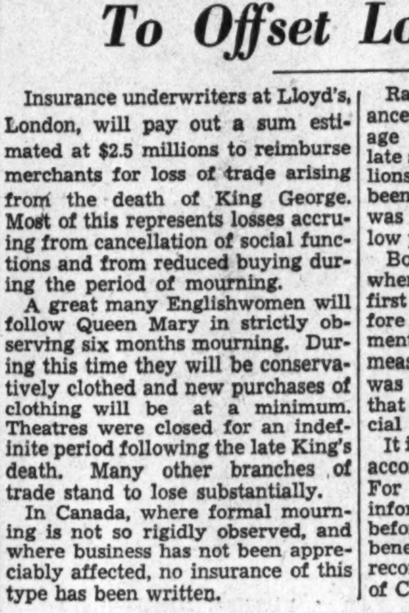
In Canada, where formal mourning is not so rigidly observed, and where business has not been appreciably affected, no insurance of this type has been written.

Rates covering the English insurance, of course, have varied with the age and physical condition of the late sovereign. Most of the $2.5 millions to be paid is understood to have been on an annual basis. That is, it was carried from year to year at a low premium rate.

Both volume and rate jumped when King George was given his first oxygen treatment and just before his death, after the second treatment, they skyrocketed. In some measure, however, the insurance was curbed by the announcement that it was the King's wish that social engagements be adhered to.

It is of interest that benefits varied according to the season of the year. For instance, The Financial Post is informed that if the king had died before Christmas the insurance benefits would have been scaled to recompense merchants for the loss of Christmas trade.

Leading Producer



M. R. WADDS

By closing a major group insurance contract in 1935 Mr. Wadds led the entire field force of Canada Life Assurance Co. last year and becomes president of the 1936 Quarter Million Club. Attached to Toronto city branch, Mr. Wadds had a total personal production during the year of over $1,000,000.

Canadian Fire Company Asks Charter Revision

At the annual meeting of the Canadian Fire Insurance Co. on Feb. 11, shareholders will be asked to approve an amendment to the company's charter whereby the company would be made subject only to the provisions of the Insurance Act. At present the company comes under the provisions of the Companies Act.

Ask Tax for Firemen

The Alberta Association of Firefighters recently asked the provincial government for a tax levied on all fire insurance premiums. The tax, paid by the insurance companies, would be applied to firemen's pensions, supplementing municipal grants and the men's own contributions.

Saint John Harbor

Saint John, N.B.—Tonnage handled through the port of Saint John in 1935 was slightly lower than during 1934. December figures, however, were higher than those for December, 1934, by more than 15,000 tons.

PROVIDENT NAMES GENERAL AGENTS IN ONTARIO AREA

Discontinues Private Auto Underwriting in Province

From Feb. 1, Ontario business of the Provident Assurance Co. will be administered by the Provincial Service Agency, Ltd. This firm will act as general agents for the Provident in addition to present connections as provincial general agents for the Providence Fire Assurance Co., of Paris, and the Switzerland General Assurance Co.. It also holds a direct contract with Lloyd's.

Prior to August, 1928, the Provident operated in Ontario under the auspices of a general agent. Since that time, however, there has been a branch office in Toronto which has latterly been under the management of G. Deans-Buchan.

The Provident is also discontinuing private automobile insurance in Ontario. As outstanding policies mature, they will be dropped. However, on other lines of automobile insurance, notably bus and truck, the company will continue to write business as in the past. The reason given by the company for dropping private motor car underwriting is that the rate is much too low.

Estimate U. S. Fire Loss $259.2 Millions in 1935

As estimated by the National Board of Fire Underwriters, fire losses in the United States last year totalled $259.2 millions. This figure is almost $16.5 millions under that of the previous year, in spite of an increase in December losses of more than $4 millions over those in December, 1934.

Some authorities consider that the higher loss experience compared with the same month in the preceding year which occurred in each of the last four months of 1935 indicates that the period of exceptionally low losses has come to an end.

Switzerland Applies in West

The Switzerland General Insurance Co. is making application for a license to do business in British Columbia, Alberta and Manitoba.

FIDELITY
Insurance Company
of Canada
TORONTO

TRAVELLING?

Whether you are going South, world-cruising, or on a business trip — it costs but little to insure your baggage and valuable clothing. If you are protected against loss by a BRITISH NORTHWESTERN Tourist Baggage Policy, you'll be free from worry. Write for full information, or telephone our Toronto agents.

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OVER HALF A CENTURY OF "SERVICE WITH SECURITY"
PORTAGE POLICIES
give full protection with absolute security and prompt settlement of claims
Est. 1884
The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
MONTREAL TORONTO WINNIPEG REGINA VANCOUVER
WRITING FIRE AND WINDSTORM

RELIANCE
INSURANCE COMPANY
of
CANADA
· Montreal ·
Property Insurance

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES
TORONTO
HAMILTON
OTTAWA
VANCOUVER
VICTORIA
EDMONTON
CALGARY
SASKATOON
WINNIPEG
MONTREAL
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WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS $5,183,603.19
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20%. TO 30% ON RENEWALS

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY WINDSTORM DOCTORS' AND DENTISTS' LIABILITY SPRINKLER LEAKAGE AUTOMOBILE PLATE GLASS
Head Office—WAWANESA, Man.
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Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

61st Annual Account of Stewardship

London Life
Traditions Fully Maintained
in 1935

THE Canadian public purchased from this Company last year the sum of Seventy-eight Million dollars ($78,431,922 net) of new insurance, not including annuities.

The total amount of life insurance now protecting the families and business interests of our clients has reached the substantially increased figure of Five Hundred and Seventeen Million dollars ($517,006,245 net).

Back of its policies are One Hundred Million dollars ($100,560,916) of assets invested in carefully selected and widely diversified securities which are subjected to constant and expert scrutiny.

As a further safeguard to our policyholders' interests and our own good name we have built up policy reserves and other funds greater by $8,593,875 than legally required and, in addition, we have a Free Surplus of $4,047,356 for unforeseen contingencies.

The London Life has built its business during the past 61 years upon *security and service to policyholders*. This tradition was faithfully maintained in 1935.

Established 1874
London Life
Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE - LONDON, CANADA

Bank Chat

Deposits Comparison

HOW big are the Canadian banks?

The American Banker has just compiled a comparative standing, based on total deposits, of the 200 largest banks in the United States at the end of last year. If the Canadian institutions were to be interpolated according to their deposit totals, all but Barclays, the youngest and smallest, would be included in this list.

Only eight American banks would precede the Royal. These, in order of size are: Chase National of New York; National City of New York; Guaranty Trust, New York; Bank of America, San Francisco; Continental Illinois National, Chicago; Bankers Trust, New York; First National, Chicago; and Central Hanover, New York. Immediately after the Royal ranks the Montreal, and slightly farther down, in 14th place, is the Commerce. The other Canadian banks stand as follows: Nova Scotia, 30th; Imperial, 52nd; Canadienne Nationale, 58th; Toronto, 64th; Dominion, 66th; and the Provincial, 136th.

Incidentally, when total assets are made the basis of comparison, the standing of the Canadian banks among themselves remains the same as above, with the exception of the Toronto and the Dominion which exchange places.

* * *

English Banks

ENGLISH banks appear to have fared considerably better last year than their counterparts in the United States and Canada. Most of the larger institutions in England have made their reports for 1935 and in nearly all cases there has been a moderate increase in profits, with the usual conservative distributions and liberal allocations to special funds. The Midland and the Westminster are celebrating their centenaries this year by giving a bonus of five per cent on all salaries and pensions for last year and also a bonus to shareholders of two per cent.

In the United States much the same conditions prevailed in 1935 as in Canada. Relatively small demand from industry for loans directed an increasing volume of funds into lower interest paying investments, with obvious effects on earnings. Competition from government financial agencies also hampered earning power somewhat.

Our own banks, although some showed larger net profit, invariably reported lower earnings after deduction of taxes.

* * *

Centenary Bonuses

IN CONNECTION with the bonuses being paid by the Midland and Westminster, it is of interest that they are extended to pensioners. In pointing this out, one of these banks pays the tribute that the pensioners have contributed in the past to the progress and development of the institution and consequently are entitled to share in the reward. Payments are in the form of special distributions; they are not appropriated out of last year's profits.

In both cases a minimum of £10 and a maximum of £100 is set. Even so the cost runs into very large figures. The Westminster does not state the amount which it is distributing, but the Midland is giving away £420,844 to its staff to help them celebrate its birthday.

* * *

Bank Holidays

UNLESS a proclamation is made calling for observation of June 3 as a legal holiday, that date will automatically drop out of the picture as far as public observance is concerned. But whether celebrated publicly or not, the day will linger with bankers as with a host of other Canadians as the birthday of one of the most popular of our rulers.

The bills of exchange act provides that the birthday of the "reigning sovereign" is a legal holiday. Consequently, banks will close on June 23 in place of June 3 as in the past quarter century. The only other holiday observed in Canada in remembrance of a sovereign's birthday is on May 24 when, of course, Victoria Day is celebrated.

* * *

Danish Mortgages

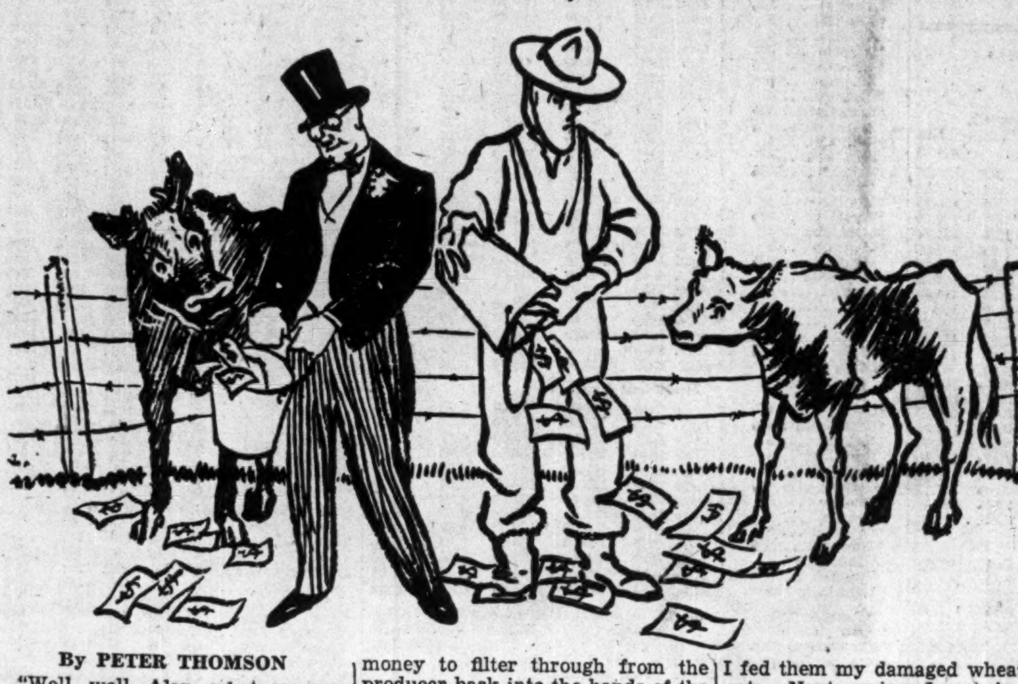
OVER in Denmark, obtaining a real estate loan is quite an involved procedure. Practically every first mortgage on Danish real estate is held by a mortgage credit association and practically every second mortgage by a mortgage loan association. Neither of these types of association has capital funds of its own to lend directly, but the credit institutions maintain reserve funds and the loan bodies accumulate both reserve and guarantee funds. These funds are built up from the payments which borrowers make, semi-annually as a rule, as part of the service charges on their loans, along with interest and amortization installments.

But the associations are only "middle men" through which mortgage borrowers gain access to loanable funds. From them the borrower secures bonds. These bonds find a ready market among investors, although because of money market conditions it may sometimes be necessary to sell them at a discount. Consequently, the borrower sells his bonds in order to obtain the ready cash he needs.

Authorities state that the bonds have come to be regarded as equal to government securities in safety and liquidity. On the other hand, although they have contributed in a large measure to the country's prosperity, it is said that they furnish a ready means for the overcapitalization of agriculture and they tend to prevent adjustment of real estate prices to prevailing conditions.

Banking and the Farmer

In Which Alan Campbell, Remford Banker, Explains How the Banks Finance Farm Production and the Processors Who Buy Farm Goods



By PETER THOMSON

"Well, well, Alan, what are you doing in the market in business hours?" asked Alice Marks.

"I dropped in to chat with a couple of my farmer customers," answered Alan Campbell, reflecting that she looked more comely than ever. He turned to the counter beside them, picked a gardenia, and paid the attendant. "My tribute to beauty in the market-place," he remarked as he handed her the flower.

She smiled and thanked him prettily. But unable to withstand the age-old instinct of the huntress, she could not refrain from casting a harpoon at him. "I only wish I, too, could pay tribute to the banker in the market-place," she laughed.

"Well, why don't you pay tribute?" he enquired.

Waiting For Money

"Because I'm sorry for these poor farmers. They have to wait so long for money from their work. There is no doubt that the consumer hasn't enough money to pay for the products of the producer." Campbell sighed, but Alice rapidly continued: "When all is said and done, there is a lag between the time the manufacturer takes in money and the time he pays it out in wages or to buy securities. The consumer can't buy goods because it takes time for money to filter through from the producer back into the hands of the consumer. This lag has produced the depression. You bankers should do something about it." Alice smiled to lessen the impact of the criticism.

"My dear child," Alan replied, "I must write all that and send it to Smoky Bill. It will help him."

"I'm not your dear child, and who is Smoky Bill?" asked Alice.

"No, I wish you were, and Smoky Bill is Lord Barnstree, the chairman of our bank. Even the newspapers call him that."

"A suitable name for a banker," Alice challenged, "the smoke obscures economic facts."

Meet The Farmer

"Follow me, my dear . . . . I mean my aggravating damsel," demanded the banker, turning on his heel. He strode between the aisles of vegetables, fruit and meat. The girl hastened in his wake.

He led her to a stall in the farther corner of Remford's busy market. Abruptly he remarked: "I want you to meet Mr. Hyde. This is Miss Marks, Bert."

"How do you do, Mr. Hyde," said the girl.

"Pleased to meet you," answered Bert Hyde.

"Would you mind telling Miss Marks, Bert, about that deal you had with the calves and me," Campbell asked the farmer.

"I don't think she'd be much interested in hearing about farming," replied Hyde diffidently.

"I should love it, Mr. Hyde. Do tell me," asked Alice. "Poor Mr. Campbell here, being a banker, isn't articulate, can't express himself, and has to have someone to do it for him."

Alan Campbell laughed as Hyde started his story. "Well 'twas this way," he began, "two years ago my wheat and oat crops were poor. That was in 1933."

"That was too bad," murmured Alice sympathetically.

Salvaging a Poor Crop

"Twasn't as bad as all that," continued Hyde, "but the grain was of a poor grade, and there I was loaded with grain that wouldn't sell. I went over to the bank to see what could be done. 'Well,' I says, 'Mr. Campbell, have you got $200?' and he admitted he had. I told him I wanted it to buy 20 calves. He gave me the $200. I got it all paid off long ago. That's all there is to the story."

"No, no," urged Campbell, "tell Miss Marks what happened."

"Why I got me 20 head of prime calves that had been dropped that spring."

"Dropped?" questioned Alice.

"He means born," the banker interposed. "Go on, Bert, tell her what happened to the stock."

"That winter," replied the farmer, "I fed them my damaged wheat and oats. Next spring I put 'em on pasture.

"Last winter I still had grain enough and over and by December last I had them ready for market. I sold the lot to Remford Abattoir. Got $1,000 for the twenty head."

"Thanks ever so much for telling me, Mr. Hyde, you have been kind," said Alice. "You see, Alan, that proves my point. Mr. Hyde got his $1,000, but it will take time before Mr. Hyde pays that, or part of it at least, to daddy for some of the leather goods from dad's plant. In the meantime I won't have enough to buy a tenderloin from Robinson's, the butcher, who is selling Mr. Hyde's beef."

"That's right enough, Miss," said Hyde, "these bankers aren't doing their bit to help business."

Financing Marketing

"Both of you have forgotten some things," retorted Campbell. "Just two years before the beef was ready for the market $200 went into the hands of Bert here, who then was in the rôle of consumer. In the autumn all the packing houses borrow money to buy. Remford Abattoir doesn't bank with us, but I do know that they borrowed the $1,000 to pay for Hyde's beef on the hoof. And some of the butchers who buy from Remford Abattoir also borrowed from their banks to buy Christmas beef."

"Now that's a funny thing, Mr. Campbell," said the farmer, "when dressed or processed my twenty head would be sold to the ultimate consumers for about $1,500. But you loaned me $200, the abattoir borrowed $1,000 to buy them, and the butchers borrowed perhaps $1,000 to buy the carcasses—that's $1,800 all told, more than the price the meat and by-products finally sell at."

"Yes, that's right, Bert," replied the bank manager, "all I wanted to show Miss Marks was that money gets around to the consumer soon enough so that he can buy the goods. What is not supplied by the banks comes from investors. All investors, be they companies, individuals, or owners of businesses, first pay out money to consumers before goods are produced. This enables the consumer later to buy the goods they make. The investor takes a deferred payment at a later date in the form of interest or dividends. Often the investor provides money for the consumer, but he doesn't get a dividend."

"Then you claim that whenever anyone produces goods at a proper price, the consumer will have the money?" demanded Alice.

"That's exactly what I do claim," admitted Alan. "In most instances, of course, the farmer borrows in the autumn, buys cattle, fattens them, and then sells in the spring. But buying power precedes production."

Bank of Canada Weekly Statement

The statement of the Bank of Canada last week showed for the first time an item of $173,092 for "rest fund." This is provided for in the Bank of Canada Act and the amount represents one-third of the surplus remaining after all charges, including dividends to shareholders. The other two-thirds goes to the federal government. Other changes include a net gain in deposits of $1.2 millions, despite a drop of $5.5 millions in government deposits, a reduction in notes in circulation of $2.8 millions and in short term government securities of $2.0 millions.

Balance Sheet

	Jan. 22 $	Jan 15 $
Liabilities		
Capital paid-up ...	5,000,000	5,000,000
Notes in cir.	90,409,260	93,154,761
Rest fund	173,092	
Dep.: Dominion ...	30,764,028	36,293,853
Banks	177,383,594	171,412,733
Other	1,634,691	847,557
Total deposits	209,782,313	208,554,143
All other liabs.	379,152	1,066,583
Total liabs.	305,743,817	307,775,487
Assets		
Reserve: Gold	179,538,475	179,814,598
Silver bullion ...	1,496,263	1,638,366
Res. in sterling ..	162,540	142,134
Res. in U. S.	11,944,863	9,756,198
Res. elsewhere ..	9,346	4,766
Total reserve	193,151,487	191,356,062
Subsidiary coin	231,281	168,654
Adv. to govt.	2,200,000	2,200,687
Investments:		
Dom. govt. short.	24,756,055	26,728,551
Other Dom. govt.	82,909,121	82,900,206
Total invest.	107,665,177	109,628,757
Premises	111,947	111,932
All other assets ...	2,383,925	4,309,395
Total assets	305,743,817	307,775,487
Reserve ratio	64.34%	63.42%

Staff Changes

The Bank of Toronto has announced the following staff changes:

S. G. PAGE, formerly of head office, to be manager at Wyoming.

C. H. SMITH, formerly manager at Wyoming, to be manager at Penetanguishene.

J. A. EPLETT, formerly manager at Penetanguishene, to head office.

S. D. MARKHAM, formerly of the superintendent's department, Vancouver, to be manager at Douglas St. branch, Victoria.

W. A. WALTERS, formerly manager at Douglas St. branch, Victoria, to superintendent's department, Vancouver.

The Bank of Nova Scotia has made the following appointments:

E. L. BRONSKILL to be manager at Picton.

R. B. BUCHAN to be manager at Maxville.

D. L. DOYLE to be manager at Eastview.

G. A. MOWAT to be manager at Campbell's Bay.

A. T. F. COBB to be acting manager at Carp.

M. D. McDONALD to be an inspector.

W. C. McKINNON to be an inspector.

J. S. CLINCH to be an assistant inspector.

W. J. V. ROUTLIFFE to be assistant manager of the investment department.

H. W. CAMPBELL to be manager at South Mountain, Ont.

H. O. CONNELL to be manager at Freeport, N.S.

A. E. SEELY to be manager at Welsford, N.B.

N. W. R. HAMILTON to be manager at Port Daniel, Que.

J. C. ROBINSON to be manager at Savanna-la-Mar, Ja.

B. A. OAKDEN to be manager at Winnipegosis, Man.

H. L. MARTIN to be manager at Port Alice, B.C.

H. A. JOHNSON to be manager at Glaslyn, Sask.

The Royal Bank of Canada has made the following staff changes:

A. B. THOMSON, formerly at Yonge & Richmond, Toronto, to be accountant at Galt.

L. W. MARTIN, to be manager at College & Bathurst, Toronto.

P. D. KNOWLES, formerly manager at College & Bathurst, Toronto, has retired on pension.

The Imperial Bank of Canada announces the following changes in staff:

G. R. F. KIRKPATRICK, manager at Edmonton, will retire shortly after 50 years' service.

J. A. WETMORE, at present manager at Calgary, to be manager at Edmonton.

W. L. GILLILAND, formerly assistant western superintendent at Winnipeg, to be western superintendent.

L. S. MACKERSY, formerly assistant manager at Edmonton, to be assistant western superintendent.

QUALITY ENGRAVING—*the essential safeguard in Monetary Documents*

Over 100 Years of Dependable Service

Assets Well Protected

YOUR bond and stock certificates in themselves are assets. They must be well protected.

The quality of their workmanship reflects the character of your institution and the strength behind its securities.

But the finest quality in your bonds and stock certificates does more. It protects.

Monetary documents made by this company are safeguarded by the finest engraving genius — the most difficult thing to counterfeit — and by specially prepared and exclusive safety paper. Theirs is the protection of quality.

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works—OTTAWA
—*Branch Sales Offices*—
TORONTO MONTREAL

Foreign Exchange Markets

Interest in currency fluctuations has recently settled largely in Paris and Washington, where political developments have made the future of exchange less certain.

In France, defeat of the Laval government was not accompanied by the anticipated fall in the franc. This appears to have been due chiefly to inflation rumors from the United States, and to the fact that actual devaluation of the franc has not yet been advocated by French authorities.

In the United States, the bonus question has aroused further fears of inflation, and the effect of these is seen in the discount on American funds in Canadian currency markets.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Jan. 21	Jan. 22	Jan. 23	Jan. 24	Jan. 25
U. S. dollar, High	.5906	1.00 1/32	1.00	1.00	1.00⅛	0.99 31/32
Low	.5906	1.00	1.00	0.99 15/16	0.99½	0.99½
1935, High	.5906	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32
Low	.5906	1.00	1.00	1.00	1.00 1/32	1.00 1/32
U. K. pound	4.8665	4.95	4.96	4.97	4.99	4.98
Argentina	.4246	.2718	.2750	.2750	.2727	.2755
Australia	4.8665	3.9511	3.9600	3.9720	3.9850	3.9810
Austria	.1407	.1882	.1882	.1887	.1889	.1894
Belgium	.1392	.1692½	.1695	.1697	.1704	.1600
Brazil	.1963	.0550	.0550	.0555	.0557	.0567
Czechoslovakia	.0296	.0414½	.0415	.0416	.0417	.0418
Denmark	.2680	.2210	.2215	.2222	.2228	.2226
France	.0392	.0659¾	.0661	.0662	.0665	.0664
Germany	.2382	.4030	.4037	.4040	.4055	.4052
Greece	.013	.0094½	.0095	.0094	.0095	.0095
Holland	.4020	.6795	.6806	.6823	.6846	.6834
Hungary	.1749	.2960	.2960	.2969	.2972	.2972
India	.3650	.3772	.3773	.3786	.3795	.3798
Japan	.4985	.2900	.2920	.2934	.2932	.2912
Jugoslavia	.1929	.0230	.0230	.0230	.0231	.0231
New Zealand	4.8665	3.9910	4.0000	4.0121	4.0251	4.0211
Norway	.2680	.2487	.2492	.2500	.2507	.2506
Poland	.1122	.1892	.1892	.1895	.1897	.1903
South Africa	4.8666	4.9240	4.9352	4.9501	4.9663	4.9613
Spain	.1929	.1367	.1370	.1373	.1377	.1375
Sweden	.2680	.2552	.2558	.2566	.2573	.2571
Switzerland	.1930	.3259	.3265	.3268	.3277	.3271
Hong Kong	.5422	.3240	.3255	.3264	.3261	.3261

Low Cost All-Modern House Is Goal Sought By Builders

"Generally improving business, cheap money rates and the acute need for housing would bring about a revival in home-building in the natural course," says Marc A. Rose, in a current survey of the housing situation in the publication 'Today.'

"But," he adds, "there are forces at work which raise the strong possibility that this particular revival may go to proportions greater than any past building boom.

"The probability is in the board room of scores of corporations, big and little; in drafting rooms, in laboratories, in workshops, in the headquarters of research foundations.

"Industrialists, builders, architects, engineers, chemists, inventors, research workers of all kinds — an army of them—are at work on a single problem.

Low Price Essential

"They are trying to evolve a good house that the average person can afford to buy. They have not reached their goal, but they believe they are near it," says Mr. Rose.

Indications are that the ideal house for this purpose, which must be cheap, will contain a number of the newer features in design and material. That, of course, is the plan on which design experts are concentrating — to combine the newer improvements in building with costs which average families can afford.

Guaranty Trust Director

B. T. Riordan has been appointed to the board of directors of the Guaranty Co. of Canada.

Weekly Bank Clearings

	Jan. 23 1936 $	Change yr. ago %	Jan. 16 1936 $
Halifax	2,021,711	+ 5.0	2,285,703
Saint John..	1,347,318	— 8.6	1,370,267
Moncton	643,853	+ 6.5	684,529
Quebec	3,372,743	— 3.3	3,383,673
Montreal ...	94,321,224	+ 9.8	94,007,978
Ottawa	15,282,698	+255.0	15,556,455
Kingston ...	444,896	+ 6.2	493,123
Peterborough	570,214	+ 3.5	587,660
Toronto	109,902,279	+ 6.4	117,543,926
Hamilton ...	4,098,565	+ 32.6	4,387,340
Kitchener ...	977,392	+ 13.8	928,059
Brantford ..	745,610	+ 6.3	734,885
London	3,012,321	+ 43.4	2,374,054
Windsor ...	2,684,802	+ 49.9	2,493,828
Sarnia	475,624	+ 21.6	412,334
Sudbury	663,420	+ 19.4	799,807
Fort William	541,962	+ 8.0	484,276
Winnipeg ...	34,534,003	— 7.9	70,980,051
Brandon	232,697	— 21.5	226,182
Regina	2,427,442	+ 1.4	2,418,483
Moose Jaw .	504,311	+ 49.0	410,719
Saskatoon ..	1,204,717	+ 22.7	1,202,920
Prince Albert	269,273	+ 16.9	299,468
Edmonton ..	4,114,113	— 12.3	3,668,698
Medicine Hat	265,010	+ 63.0	169,409
Lethbridge .	510,369	+ 44.4	434,160
N. W'minster	487,295	+ 37.2	509,694
Vancouver ..	16,673,754	+ 44.8	16,647,852
Victoria	1,588,196	+ 38.6	1,531,640
Calgary	5,392,873	+ 31.4	4,989,898

Public Utility Earnings

Barcelona Traction

December	1935 Pesetas	1934 Pesetas	% Incr.
Gross earn. ...	11,371,755	10,714,483	6.13
Oper. exps. ..	3,726,139	3,464,280	7.56
Net earnings .	7,645,616	7,250,203	5.45
12 mos. end. Dec. 31			
Gross earn. ..	122,333,927	116,953,014	4.60
Oper. exps. ...	43,907,411	41,567,990	5.63
Net earnings .	78,426,516	75,385,024	4.03

Tourist Hotel

Winnipeg River Hotel Company will erect a tourist hotel which will be an all-year-round building. The site has not yet been divulged. The cost will be $18,000, it is reported.

Baird Elected Chairman Ft. William Clearing House

H. K. Baird, manager of the Canadian Bank of Commerce at Fort William, was elected chairman of the Fort William Clearing House at its annual meeting recently. Other officials are: E. R. Youngs, manager of Bank of Montreal, vice-chairman; A. W. Stephens, accountant, Canadian Bank of Commerce, sec.-treas.; C. C. Eddy manager Bank of Toronto, member of the board of management.

TRADE WITH GREAT BRITAIN

The ramifications of the Royal Bank of Scotland throughout Great Britain and the entire World enable it to handle every description of British Empire and Foreign Banking business.

Head Office:
EDINBURGH
254 Branches in All
LONDON:
Chief City Office:
3 Bishopsgate, E. C. 2

ROYAL BANK OF SCOTLAND

(Incorporated by Royal Charter, 1727)

Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,857,143
Deposits £64,009,174

Associated Bank:
Williams Deacon's Bank Ltd.
(Members of the London Bankers' Clearing House)

AUSTRALIA and NEW ZEALAND.

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

(With which are amalgamated the Western Australian Bank & The Australian Bank of Commerce Ltd.)

Paid-up Capital £8,780,000
Reserve Fund 6,150,000
Reserve Liability of Proprietors 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1935 . . . £115,559,000

A. C. DAVIDSON, General Manager.

747 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.

Head Office: GEORGE STREET, SYDNEY.
London Office: 29, THREADNEEDLE STREET, E.C. 2.

Agents: Bank of Montreal; Royal Bank of Canada; Imperial Bank of Canada; Canadian Bank of Commerce.

The Huron & Erie
MORTGAGE CORPORATION

72nd Annual Financial Report — Year Ended December 31, 1935

Assets

Office Premises		$ 2,000,000 00
At London (four buildings), Toronto, Winnipeg, Windsor, Chatham, St. Thomas and Hamilton.		
Real Estate held for Sale		
Farm properties	$355,893 10	
City properties	418,982 75	
		774,875 85
Mortgages and Agreements for Sale		
Principal and interest due and accrued		35,060,895 68
Securities—Including Accrued Interest		
Bonds of Dominion of Canada and Provinces of Canada		3,874,771 39
Bonds guaranteed by Dominion of Canada and the Provinces of Canada		634,305 08
Debentures of Canadian Municipalities, School Districts and Rural Telephone Companies in Canada		408,150 67
The unrealized assets of The Peoples Loan and Savings Corporation are held under an agreement, approved by the Lieutenant-Governor-in-Council, as security for liabilities of		939,619 48
Canada Trust Company Stock		
(Value on basis of reserve—$1,705,200.00)		1,558,080 00
Cash in Offices and in Chartered Banks		459,766 72
Total Assets		$45,710,464 87

Liabilities

To the Public—		
Canadian Debentures	$26,905,683 35	
Sterling Debentures	2,268,085 52	
Sterling Debenture Stock (4% Perpetual)	213,748 84	
Debenture Interest Accrued	376,231 84	
Deposits	9,231,464 10	
		$38,995,213 65
Provision for Provincial Taxes, payable in 1936		15,000 00
To the Shareholders—		
Capital Stock		
Subscribed $9,000,000 00		
Fully Paid	$ 4,000,000 00	
Partly Paid	1,000,000 00	
	$ 5,000,000 00	
Reserve Fund	1,500,000 00	
Dividend declared payable 2nd January, 1936	75,000 00	
Profit and Loss		
Balance carried forward	125,251 22	
		6,700,251 22
Total Liabilities		$45,710,464 87

The CANADA TRUST COMPANY

Managed and controlled by The Huron & Erie Mortgage Corporation

34th Annual Financial Statement — Year Ended December 31, 1935

Assets

Capital Account		
Real Estate held for Sale		
Farm properties	$ 51,822 48	
City properties	165,326 35	
		$ 217,148 83
Mortgages and Agreements for Sale		
Principal and interest due and accrued		1,219,907 51
Loans on Stocks and Bonds		
Principal and interest due and accrued		42,574 00
Securities, including accrued interest		
Bonds of Dominion of Canada		199,122 23
Cash in offices and in banks		135,503 20
Advances to Estates		42,272 00
Guaranteed Trust Account		
Mortgages, Equities in Mortgages and Agreements for Sale		
Principal and interest due and accrued		7,182,319 51
Loans on Securities, including accrued interest		95,255 44
Securities, including accrued interest		
Bonds of Dominion of Canada		894,479 67
Bonds guaranteed by Dominion of Canada		328,506 00
Debentures of Canadian Municipalities, School Districts and Rural Telephone Companies in Canada		432,370 34
Cash in banks		39,465 13
Estates, Trusts and Agencies Account		
Investments, and cash in chartered banks and in The Huron & Erie Mortgage Corporation		7,580,891 99
Original assets of estates and agencies under administration by the Company (inventory value)		13,316,021 25
Securities held for clients' Accounts		1,210,724 45
Total Assets		$32,936,561 55

Liabilities

Capital Account		
Capital Stock		
Subscribed $1,048,900 00		
Fully paid	$ 986,900 00	
Partly paid	13,100 00	
		$ 1,000,000 00
Reserve Fund		750,000 00
Dividend declared payable January 2nd, 1936		50,000 00
Provision for Dominion and Provincial Taxes payable in 1936		13,500 00
Profit and Loss		
Balance carried forward		43,027 77
Guaranteed Trust Account		
Trust Funds for Investment		8,899,244 98
Interest accrued		73,151 11
Estates, Trusts and Agencies Account		
Trust funds invested and for investment or distribution		7,580,891 99
Original assets of estates and agencies under administration by the Company (inventory value)		13,316,021 25
Securities held for clients' Accounts		1,210,724 45
Total Liabilities		$32,936,561 55

Quotations

Montreal, Toronto Listed and Curb Prices

Canadian Bond Markets

WEEK ENDING JANUARY 27

Range 1935-36 High	Low	Divd. Rate $	Y'ld in % Jan. 25		Sales	Close Jan. 20 or last	High	Low	Close
				A					
2.50	.50	.	...	Abitibi	6580	1.85	1.85	1.60	1.80
9¼	2	.	...	Do. pref. 6%	1265	8¾	9¼	8¾	8¾
8¾	3	.	...	Do. cert. dep.	950	8¾	8¾	8¾	8¾
5	5	.	...	Acadia Sugar	....	5	..	..	..
7	3	.	...	Acme Glove	....	7	..	..	..
47	32	3.25	7	Do. pref.	....	46½	..	..	..
10	7½	40c	4	Agnew Surp.	75	10	10	10	10
103½	96	7	7	Do. pref.	40	100	100½	100½	100½
6	1	.	...	Alta. Pac. Gr.	195	6	6	5½	5½
39	15	.	...	Do. pref.	125	38	37	36	37
25	25	.	...	**Aluminium**	....	25	..	..	..
97	97	.	...	Do. pref.	....	97	..	..	..
2½	1¼	.	...	Amal. Electric	180	2	2½	2½	2½
18	12	.	...	Do. pref.	....	14	..	..	..
35	16	.	...	Amer. Cyn. B.	....	34	..	..	..
52½	51	3.50	6.8	Ang-Can. Tel. p	....	51¾	..	..	..
22	6	.	...	Asbestos v. t.	2724	20½	21½	20	20
15	8½	1	7.1	Assoc. Brew.	440	13¾	14	14	14
110	104	7	6.5	Do. pref.	5	108	108	108	108
4	1¼	.	...	Assoc. Can.	....	2¾	..	..	..
34	34	.	...	Assoc. T. & T. p	....	34	..	..	..
105½	104½	7	6.6	Atlan. Sugar p	....	105½	..	..	..
				B					
66½	51½	2.25	4.3	Bank of Canada	64	52½	52½	52	52
137	126	8	5.8	Bk. Can. Nat.	60	135½	137	137	137
204	152	8	3.9	Bk. Montreal	248	203	204	202	204
305	245	12	4.2	Bk. N. Scotia	31	280	285	280	285
235	183	10	4.3	Bk. Toronto	50	226	228	227	228
13½	10	50c	...	Barcelona	....	13½	..	..	..
15¾	4½	.	...	Bathurst Pr.	6787	13	15¾	13	14½
4¾	1	.	...	Do. (B)	205	3¼	4½	4	4½
4½	1	.	...	Bawlf Grain	1525	3¾	4	3½	3½
40	17	.	...	Do. pref.	210	36	36½	36	36½
3	2	.	...	Beath & Sons.	....	3	..	..	..
15	8½	.	...	Beatty Bros. A	185	12¾	14	12½	14
101	85	6	6	Do. pref.	15	99½	100	100	100
7½	2½	.	...	Beauharnois	2534	3¾	3½	3½	3½
98½	85	4	4.3	Belding Cort.	....	92	..	..	..
130	116	7	5.4	Do. pref.	10	125	130	130	130
148¾	118	6	4.1	Bell Telephone	659	147½	148½	147	148½
32	13	1.25	3.9	Biltmore Hats	50	31½	32	32	32
110	97½	7	6.4	Do. pref.	....	110	..	..	..
4	3½	.	...	**Bissell, T. E.**	....	3½	..	..	..
35	25	.	...	Do. pref.	....	33	..	..	..
5	1¾	.	...	Blue Ribbon	....	3½	..	..	..
29	19	2	7	Do. pref.	26	29	28¼	27½	28½
31	27½	2	6.5	Brant. Cord. pf.	80	30½	30½	30½	30½
12½	7½	.	...	Brazilian Tr.	110844	9¾	12½	9¾	12½
1.70	.55	.	...	Brew. & Distil.	3107	1.25	1.30	1.25	1.30
4½	1	.	...	Brewing Corp.	2311	2¾	2¾	2¾	2½
22¾	8	1.50	10.2	Do. pref.	560	15¾	15½	14½	15
15½	10	30c	3	Bright, T. G.	....	10	..	..	..
80	75	6	7.5	Do. pref.	....	80	..	..	..
22	14½	80c	3.8	Brit. Amer. Oil	10643	21½	21½	20½	20¾
13	9¼	.	...	B. C. Packers	370	11½	12	11½	12
25	13	.	...	Do. pref.	....	20	..	..	..
30½	21	1.50	5	B. C. Power A	753	29	30	28½	30
5	2	.	...	Do. (B)	218	4½	4¾	4	4¾
18¾	14¾	1.20+10c	8.4	Bruck S. M.	1967	15	15½	14¾	14¾
37½	25½	1+25	3.4	Building Prod.	440	36¾	37	36	37
39½	29¾	2	5.1	Burt, F. N.	120	38½	39	38½	38½
				C					
85	80	6	7.4	Calgary Pr.	....	81½	..	..	..
6½	2	.	...	Canada Bread	10	5¾	5¾	5¾	5½
95	63	1	...	Do. pref. A	10	93	93½	93½	93½
44	17	.	...	Do. pref. B	25	44	42	42	42
9	5½	50c	...	Canada Bud	565	7½	7¾	7½	7½
8¼	5	.	...	**Canada Cement**	2125	7	7½	6¾	7
64½	49¾	.	...	Do. pref.	2556	58	62	59	62
60½	55	1.50+50c	3.3	C. & D. Sug	35	60½	60½	60	60
17¾	8½	.	...	Canada Dry	23800	14½	16½	14½	15¾
7	2	.	...	**Can. Forg. (A)**	375	6	6¾	6	6¾
2	1½	.	...	Do. (B)	15	1¾	2	2	2
35	18	.	...	Canada Iron	....	30	..	..	..
55	50	3	5.9	Do. pref.	....	51	..	..	..
520	450	20	3.8	Canada Life	....	520	..	..	..
36	29	1.50+50c	5.9	Can. Malting	1265	33¾	34½	33¾	34
25¾	17½	1.20	5.2	Can. Nor. Pr.	670	23½	23	22¾	22¾
111	98½	7	6.4	Do. pref.	34	109	109	108¾	108¾
84	50	2.25	...	Can. Packers	70	82½	83	82½	83
115	110	7	6.3	Do. pref.	....	111½	..	..	..
105	60	.	...	Can. Paper, pf.	....	105	..	..	..
.05	.05	.	...	**Can. Paving**	....	.05	..	..	..
3¾	2	.	...	Do. pref.	....	2	..	..	..
150	119	8	5.6	Can. Perman.	11	141½	142	141½	142
12	12	.	...	Can. Starch	....	12	..	..	..
3	1	.	...	Can. Steamsh'ps	350	3	3	2¾	2¾
12¾	6	.	...	Do. pref.	1905	11¾	12¾	12	12½
29	21½	1.20	5.4	Can. Vinegars	840	21½	22	21½	22
26½	13½	.	...	Can. W. Cable	....	26	..	..	..
12½	4½	.	...	Do. (B)	15	12¾	12	12	12
99	81	.	...	Do. pref.	20	98½	99	99	99
2¾	1	.	...	Can. Bakeries	55	2¾	49½	46	46
51	13	.	...	Do. pref.	....	48	..	..	..
169½	120	8	4.9	Can. Bk. Com.	508	160	160¾	159½	159¾
37	26	60+50c	3	Can. Bronze	335	37	37	36	36
117	110	7	6.1	Do. pref.	10	115	115	115	115
6¾	3½	.	...	Can. Canners	456	5½	5½	4½	5
94	75	6	6.6	Do. 1st pfd.	32	90	91	90½	91
9¾	4½	.	...	Do. 2nd pfd.	732	7½	7½	7½	7½
8¾	4½	.	...	Can. Car & Fd'y	749	7	7	6½	6¾
17	10½	.	...	Do. pref.	610	14¾	14¾	14½	14½
31¼	18½	.	...	Can. Celanese	1480	27½	29½	27	29
127	100	7	5.6	Do. pref.	160	125	126	125	125
21	18	.	...	Do., Rights	5	19½	19	19	19
32	23¾	2	8	Can. Convert.	10	30	25	25	25
66	36	4	8	Can. Cottons	10	50	50	48	50
105	93½	6	5.7	Do. pref.	25	102	105	102	105
44½	19½	1+1	...	Can. Dredge	906	38½	38¾	38	38
125	106	7	5.6	Do. pref.	....	125	..	..	..
100	95	6	6	Can. Fairb. pf.	....	100	..	..	..
30	18	1.60	6.1	Can. For. Inv.	935	26	26½	26	26½
107½	103	8	7.6	Do. pref.	....	105	..	..	..
168	145	3	1.9	Can. Gen. Elec.	....	154	..	..	..
6½	6½	40c	6.4	Can. G. Inv.	....	6½	..	..	..
82½	37	.	...	Can. Hyd. El. p.	1453	46	46	38	39
13¾	6¾	.	...	Can. Ind. Alc.	35106	10½	11½	10	11¾
12	6	.	...	Do. (B)	3933	9	10½	9	10½
227½	178½	4	1.8	Can. Indust. B.	....	227	..	..	..
166½	148	7	4.2	Do. pref.	....	166½	..	..	..
2	2	.	...	Can. Int. I. Tr.	....	2	..	..	..
25	20	.	...	**Do. pref.**	....	25	..	..	..
30	20	1	4.9	Can. Lt. & Pr.	24	20	20½	20½	20½
4	1¾	.	...	Can. Locomo.	....	4	..	..	..
2½	1	.	...	Can. Marconi	5700	2½	2½	2	2
18	11	50c	3.1	Canadian Oil	20	16½	16½	16½	16½
127	113	8	6.4	Do. pref.	23	125	125¾	123¾	123¾
13¾	8¾	.	...	Can. Pacific	7644	11	11¾	10¾	11
.15	.10	.	...	C. Pr. & Pa. In.	....	.10	..	..	..
4½	3½	.	...	Do. pref.	....	4½	..	..	..
2¾	1	.	...	Can. Vickers	285	2½	2¾	2½	2½
16½	6	.	...	Do. pref.	50	16	15	14	15
6	2½	.	...	Can. Wineries	421	3½	3½	3¾	3¾
23	15	25c▲	...	Can. Wire Box	....	22	..	..	..
24½	9	.	...	Catelli Mac (A)	25	22	20	20	20
4½	1½	.	...	Do. (B)	....	3½	..	..	..
30¾	25	.	...	Celanese of Am.	....	25	..	..	..
‡245	245	8	...	Cent. Can. L'n.	....	..	..	..	..
2.35	.55	.	...	Chem. Research	1800	.85	.90	.85	.85
2½	1½	.	...	**City Gas & Elec**	....	1¾	..	..	..
.60	.20	.	...	Claude Neon	10	.40	.50	.50	.50
18	12½	92c	6.7	Coast Brew.	220	14½	14	13¾	13¾
6½	4	.	...	Do. Rights	2590	4	4¾	4½	4¾
9¾	6	.	...	Cockshutt Plow	1380	8	8½	7¾	8½
.95	.45	.	...	Comm. Alcohol	65	.85	.85	.85	.85
1.00	.15	.	...	Conduits	....	.15	..	..	..
61	48	.	...	Do. pref.	....	50	..	..	..
18¾	11½	80+10c	...	Cons. Bakeries	527	18	17¾	17½	17½
3.12	.70	.	...	**Cons. Paper**	5245	2.87	2.87	2.62	2.62
9	5	.	...	Cons. Press	....	8½	..	..	..
26½	25	.	...	Cons. Sand. pf.	....	25	..	..	..
220	125½	2.50=4	...	Cons. Smelters	1196	210	219	206½	215
193	184	10	5.2	Consumers' Gas	127	192	192	191	192
90	30	5.25	...	Corr. P. Box p.	40	86	90	90	90
20½	14¾	52½c	...	Cosmos Imp.	290	18½	19	18½	18½
108	102½	7	6.5	Do. pref.	....	107	..	..	..
2¼	1½	.	...	**Crown Dom. Oil**	....	2	..	..	..
30	25	2	..	Crow's N. Coal	....	25	..	..	..
				D					
1	½	.	...	David & Fre. B	....	½	..	..	..
4	1¾	.	...	Do. (A)	....	1¾	..	..	..
2¾	1½	.	...	De Havilland	310	2	2½	2	2½
30½	30	.	...	Do. (A)	....	30½	..	..	..
19	5	.	...	**Disher Steel**	....	..	..	..	..
9	6½	.	...	Do. pref.	110	8½	9	9	9
39½	13½	.	...	Distill-Seagram	4305	32¾	33¾	32	32½
205	141	10	4.9	Dom. Bank	193	200	205	200	205
35¾	24½	1.20	3.4	Dom. Bridge	2745	33½	35	34	34¾
18¾	14¾	1.50	...	Dom. Coal, p.	730	15	15½	14¾	15½
34½	17	.	...	Dom. Engineer.	120	33	34	33½	34
32	29½	.	...	Dom. Foundries	....	32	..	..	..
120	90	5	4.5	Dom. Glass	30	111	112	110	110
145	129¾	7	5.1	Do. pref.	10	136½	140	140	140
.10	.09	.	...	Dom. Motors	....	.10	..	..	..
36	32	.	...	Dom. Oilcloth	....	35½	..	..	..
90½	80	7	7.7	Dom. Rubber p	....	90½	..	..	..
6	3½	.	...	Dom. St. & C.B.	1460	4¾	5	4¾	4¾
12½	6½	.	...	**Dom. Stores**	7141	11½	12	10¾	10¾
7¾	3½	.	...	**Dom. Tar & Ch.**	1090	4¾	5	4¾	5
72	42	.	...	Do. pref.	97	59	60	58	60
82½	60	5	6.3	Dom. Textile	456	77	79	77	77
150	130	7	4.8	Do. pref.	15	144	146½	146	146
5½	1½	.	...	Donnacona P. A.	....	5¼	..	..	..
4	1	.	...	Do. (B)	650	4	4	3¾	4
6¾	5	.	...	Dryden Paper	230	6	6	5¾	5¾
				E					
2½	½	.	...	East. Koot. Pr.	....	1	..	..	..
14	5	.	...	Do. pref.	....	6	..	..	..
3½	1¾	.	...	East. Dairies	95	2	2	2	2
20	12	.	...	Do. pref.	....	15	..	..	..
11	5	.	...	East. Steel	....	11	..	..	..
90½	80	7	8	Do. pref.	....	87	..	..	..
8	7½	.	...	East. Theatres	....	7½	..	..	..
85	58½	7	8.2	Do. pref.	....	85	..	..	..
3½	1	.	...	Easy Washing	....	1½	..	..	..
21	13½	25c	...	Economic Inv.	....	21	..	..	..
20½	19¾	.	...	Electrolux	2680	19¾	20½	19¾	20½
3	1	.	...	Enam. & Heat.	....	1	..	..	..
18	7	.	...	Eng. Electric	40	16¾	16	16	16
10	3	.	...	Do. (B)	130	10	9½	8	9
9	6½	30c	...	European El. A	....	7	..	..	..
				F					
16¾	10	50c	...	Fam. Players	....	16	..	..	..
17	14	.	...	Do. Vot. Tr.	....	16	..	..	..
15	7½	50c	3.3	Fanny Farmer	4035	14¾	14¾	14½	14¾
32½	23½	50c	2	Ford Motors A	8451	25½	25½	24¾	25
2.25	.50	.	...	For. Pr. Secs.	25	1.00	.85	.85	.85
15	9½	.	...	Foundation Co.	300	14½	14¾	14½	14¾
11½	2½	.	...	Fraser Cos.	317	9½	9¾	9½	9½
10	1¾	.	...	Do. Vot. Tr.	285	9	9	8½	8½
61	54	6	10.9	**Freiman, pf.**	....	55	..	..	..
4	2	.	...	**Frost Steel**	45	2¾	3½	3½	3½
89	68	1.75	...	Do. pref.	....	89	..	..	..
				G					
5¾	3	.	...	Gen. St. Wares	4750	5	5¾	5	5½
63	25	.	...	Do. pref.	303	58½	63	60	62
72½	59	63c	...	Goodyear Tire	1040	66½	66½	65½	65½
57	51½	2.50	4.5	Do. pref.	98	56	56	55½	55½
1¾	1	.	...	**Gt. W. Saddlery**	....	1	..	..	..
20	12½	.	...	Do. pref.	10	13½	15	15	15
7	4	.	...	Gurd, Chas.	435	7	7	6¾	6¾
100	80	7	7	Do. pref.	....	100	..	..	..
8½	4½	.	...	Gypsum, Lime.	5025	7¾	7¾	6¾	7½
				H					
6¼	3	.	...	**Ham. Bridge**	220	5¾	5¾	5½	5½
35	18	.	...	Do. pref.	320	34	35	33	35
30½	24	1.50	...	Ham. Cot. pf.	90	28½	29	28½	29
2½	½	.	...	Ham. U. Theat.	....	½	..	..	..
60	48	4	8	Do. pref.	5	50	50	50	50
3½	2½	.	...	Harding Carpet	315	3½	3½	3½	3½
1.50	1.50	.	...	Hillcrest Coll. c	....	1.50	..	..	..
16	16	.	...	Do. pref.	....	16	..	..	..
14½	10	50c	...	Hinde & Dauch	50	14	14½	14	14½
7	5	.	...	Holt Renfrew	25	5	7	7	7
30	25	.	...	Do. pref.	....	30	..	..	..
.60	.15	.	...	**Honey Dew**	255	.50	.50	.50	.50
8	6	.	...	Do. pref.	....	7½	..	..	..
13	9	.	...	H. Smith Pap.	380	12¾	12¾	12¾	12¾
115	84	.	...	Do. pref.	120	112	113	112	112
35½	28	2	6	Humberstone S.	20	34	33½	33½	33½
11	3	.	...	Hunts (A)	....	6	..	..	..
11	3	.	...	Do. (B)	....	10	..	..	..
103	80	6	7	Huron & E. Mt.	27	86	86	85½	85½
17½	14	.	...	Do. 20% pd.	....	14¾	..	..	..
5½	3	.	...	Hydro Electric	....	5½	..	..	..
				I					
208½	157	10	4.9	Imperial Bank	15	205	205	205	205
22¼	15¾	50+75c	5.5	Imperial Oil	19740	22½	22¾	22	22¾
14½	12	52½c	3.7	Imperial Tob.	2137	14	14½	13¾	14½
7¾	6¾	6%	...	Do. pref.	300	7¾	7¾	7¾	7¾
21	17	1	...	Inter. City Bak.	....	21	..	..	..
45½	25	5+2	...	Inter'c Coal	....	40	..	..	..
110	100	8	7.3	Do. pref.	....	110	..	..	..
b5½	1½	.	...	Int. Hyd. E. A.	6300	4½	4¾	4½	4½
7½	2	.	...	Int. Metal Ind.	2850	5½	7½	5½	6¾
45	25	.	...	Do. pref.	300	37	42	39	41
105½	99	5	4.8	Inter. Mill., pf.	90	105	104½	104½	104½
48¾	22½	1	2.1	Inter. Nickel	74615	45½	48¾	45½	48½
6	2	.	...	Inter. Paints	60	5½	5½	5½	5½
29½	18	1.12½▲	...	Do. pref.	....	28	..	..	..
b5	1½	.	...	Int. Pa. & P. A	2200	4½	4½	4½	4½
b3½	¾	.	...	Do. (B)	400	2½	2¾	2½	2¾
b2¾	½	.	...	Do. (C)	3700	1¾	1¾	1¾	1¾
b28¾	4½	.	...	Do. pref.	10700	26½	27½	25¾	26¾
39½	33¾	1.50+1	6.6	Inter. Pete.	9295	37	38	36¾	37½
6	1	.	...	**Inter. Power**	160	4½	4½	4½	4½
70	40	3	...	Do. pref.	493	66	70	69	70
13¾	12½	.	...	Inter. St. Rly. A	....	13¾	..	..	..
2	2	.	...	Do. (B)	....	2	..	..	..
8½	1½	.	...	Int. Util. (A)	695	6½	8½	6¾	8
1.00	.25	.	...	Do. (B)	1285	.75	.85	.75	.85
				J					
33½	22	1.50	4.5	Jam. Pub. Ser.	25	33½	33½	33½	33½
126	115	7	5.7	Do. pref.	....	123½	..	..	..
				K					
8¾	6	.	...	Kelvinator	380	6¾	8	7½	8
107	102	7	6.6	Do. pref.	5	107	106	106	106
				L					
18½	7	.	...	Lake of Woods	725	17¾	17¾	17	17½
130	80	1.75▲	...	Do. pref.	5	125	130	130	130
75	53	5	9.1	Landed Bank	....	55	..	..	..
4	3½	.	...	**Langley's**	....	3½	..	..	..
80	48	7	14.6	Do. pref.	5	48	48	48	48
67	59	3	4.5	Laura Secord	85	65½	66	65½	66
5	2½	.	...	Lindsay, C. W.	....	3¾	..	..	..
40½	39	.	...	Do. pref.	....	40	..	..	..
19½	16½	1	5.1	Loblaw (A)	1569	19½	19½	19½	19½
18½	16	1	5.6	Do. (B)	503	17¼	17¾	17¾	17¾
7½	6½	10c	...	Louisiana L.	....	6¾	..	..	..
				M					
3½	3½	.	...	**MacKin. Steel**	....	3½	..	..	..
195	90	.	...	**Do. pref.**	....	..	..	..	..
2½	1½	.	...	Manitoba Pr.	....	1½	..	..	..
1.00	.50	.	...	M. L. Gardens	....	.50	..	..	..
5	3½	.	...	Do. pref.	....	3¾	..	..	..
2.25	.40	.	...	Maple Leaf	314	1.85	1.75	1.50	1.75
6½	1	.	...	Do. pref.	29	5½	5	5	5
12½	12	60c	4.7	Maritime Tel.	....	12¾	..	..	..
15	14½	70c	4.7	Do. pref.	....	14¾	..	..	..
20	14	.	...	**Marcus Loew's**	....	16½	..	..	..
115	103½	7	6.3	Do. pref.	....	111½	..	..	..
7¾	3½	.	...	Massey-Harris	2130	5½	6¾	5¾	5¾
37	18¾	.	...	Do. pref.	65	35	34½	34½	34½
16½	11¾	80c	5	McColl Fron.	33907	14¾	16½	14¾	15¾
101	94	6	5.9	Do. pref.	296	100½	101	100½	101
14½	7	50c▲	...	Melchers (A)	310	11¾	11¾	10¾	11½
7	2½	.	...	Do. (B)	50	5	5	4¾	5
10	7	.	...	Mercury Mills p	....	7	..	..	..
30	20	1	...	Mitchell, J. S.	....	30	..	..	..
101	101	7	6.9	**Do. pref.**	....	101	..	..	..
8	5½	.	...	Mitchell, Robt.	215	6½	7½	7	7½
5	2½	.	...	Monarch Knit.	110	3	4	3½	4
90	71½	7	7.8	Do. pref.	....	90	..	..	..
35	30	.	...	Montreal Cot.	....	35	..	..	..
99	73	7	7.1	Do. pref.	35	98	99	98	99
1½	½	.	...	**Montreal Exhib.**	....	..	..	..	..
2.00	1.00	.	...	Mont. Is. Pr.	....	2.00	..	..	..
36¾	26¾	1.50	4.6	Mont. L. & Pr.	7278	32	33	32	32
32	30	2.50	8.3	Montreal Loan	....	30	..	..	..
9	6¾	.	...	Mtl. Ref. & S.P.	....	9	..	..	..
2	1½	.	...	Do. Vot. Tr.	....	2	..	..	..
60	54½	3.20	5.4	Montreal Tele.	20	60	60	59	60
102	80	9	8.8	Montreal Trams	38	101	102	102	102
30	17½	50c	1.7	Moore Corp.	1795	29½	30	29	30
155	118½	7	4.5	Do. pref. (A)	25	150	155	155	155
185	135	7	3.8	Do. pref. (B)	....	180½	..	..	..
1.10	.25	.	...	**Muirheads**	....	.50	..	..	..
6	3	.	...	Do. pref.	....	3	..	..	..
				N					
41	31	1.60	4	Nat. Breweries	1912	39½	41	39¾	41
44	38	1.75	4.2	Do. pref.	143	41	42	40½	41
7½	4½	.	...	Nat. Grocers	190	6¾	7	6¾	6¾
135	121	7	5.4	Do. pref.	....	130	..	..	..
22	14½	.	...	N. Sew. Pipe A	75	18½	18	18	18
18½	12½	.	...	Nat. Steel Car.	114	16	16½	15¾	16
204	175	8	3.9	National Tr.	10	200	201	201	201
42	15	2	5	Niag. W. Weav.	95	38½	42	40	42
58	45½	3	5.2	Do. pref.	25	56	58	58	58
1.90	.60	.	...	North Star Oil	....	1.10	..	..	..
4.00	1.50	17½c	...	Do. pref.	200	3.50	3.30	3.30	3.30
				O					
205	140	8	3.9	Ogilvie Flour	5	204	204	204	204
153	130	7	4.6	Do. pref.	20	153	152	152	152
10	5½	.	...	Ont. Eq. 10% pd	15	9½	9½	9½	9½
115	107½	6	5.5	Ontario Loan	....	109	..	..	..
18	8	.	...	Ont. Silknit	....	13¾	..	..	..
105	75	7+2▲	6.9	Do. pref.	....	102	..	..	..
8	5	.	...	Ont. Steel	5	5	8	8	8
75	75	.	...	Do. pref.	60	..	75	75	75
.35	.10	.	...	Orange Crush	....	.15	..	..	..
17	6	.	...	Do. 1st pref.	....	6½	..	..	..
.55	.20	.	...	Do. 2nd pref.	....	.45	..	..	..
90	74	6	6.7	Ott. L. H. & Pr.	....	89½	..	..	..
111	100	6.50	6	Do. pref.	....	108	..	..	..
22	14	2	...	Ott. Traction	5	21	19½	19½	19½
				P					
88	75	3	3.6	Page Hersey	746	80	82¾	79½	82
5¾	3	.	...	Pantepec Oil	26865	4	5¾	4	5½
25	17	.	...	Paton Mfg.	170	17	25	18	23
98	94	7	7.2	Do. pref.	....	98	..	..	..
63½	41	3	5.3	Penmans	55	57	57	57	57
118	106½	6	5.1	Do. pref.	10	116	118	118	118
27	20½	1	3.8	Photo Eng.	10	26½	26	26	26
91	70	7	7.8	Porto Rico Pr. p	17	85	90	90	90
13	6½	.	...	Power Corp.	2691	12½	12½	12	12
100	80	6	6	Do. pref.	239	98½	100	98	99½
2.50	.80	.	...	Prairie C. Oil	....	1.50	..	..	..
21	6	25c	...	Pressed Metals	902	19	21	19	21
4½	1½	.	...	Price Bros.	1735	4½	4½	4½	4½
33¾	14	.	...	Do. pref.	95	27	27	27	27
				Q					
17½	13	1	6.5	**Quebec Power**	677	15	15½	14¾	14¾
				R					
58	40	2	5	Real Estate L'n.	....	40	..	..	..
7	4½	.	...	Regent Knit.	310	5½	5½	5	5½
10	2	.	...	Reliance Grain	115	9½	10	10	10
31	27	1	3.3	River S. Mills	15	30	30	30	30
9	5½	.	...	Rogers Majest.	935	6	6	5¾	5¾
99	83	6	6.1	Rolland P., pf.	30	99	99	98½	98½
173½	133½	8	4.6	Royal Bank	563	169¾	173	165	172
32	20	.	...	Russell Motor	....	30	..	..	..
103	70	7+1▲	6.9	Do. pref.	....	101	..	..	..
				S					
9½	2	.	...	Sarnia Br. (A)	255	4	9½	9	9½
1½	1	.	...	Do. (B)	1081	1	1¾	1¾	1¾
23	14¾	60c	3	Shawinigan	5975	19¾	20¾	19½	19¾
30	9½	.	...	Sher. Wms.	210	18¾	18½	18½	18½
127½	100	1.75▲	...	Do. pref.	6	125	125	124	125
14	8	.	...	Simon & Son	30	12	10½	10½	10½
109½	90	.	...	Do. pref.	....	93	..	..	..
90	62	4	5.1	Simpson, Ltd.	106	79	76½	76½	76½
15	9	.	...	Do. (A)	....	12	..	..	..
11	5	.	...	Do. (B)	5	9	9	9	9
114	103	6	5.3	Simpson, R., p.	....	114	..	..	..
14½	9½	80c	6.3	So. Can. Pr.	366	12½	12¾	12½	12¾
100	92	6	6.1	Do. pref.	53	99	99	98½	98½
2½	¾	.	...	St. Law. Corp.	415	2½	2½	2	2
9¾	3	.	...	Do. (A)	520	8½	8½	8	8
40	30	2	5	St. Law. Flour	....	40	..	..	..
125	113	7	5.7	Do. pref.	....	123	..	..	..
24	8½	.	...	St. Law. Pap. p	640	22	22¾	21½	21¾
7½	4	.	...	Stand. Chem.	50	6¾	7½	7½	7½
1.75	.70	.	...	**St. Pav. & Mat.**	55	1.50	1.50	1.20	1.20
15	9	.	...	Do. pref.	5	12	14	14	14
25	20	.	...	Stand. Steel. pf.	142	20	22	22	22
60½	42	1.75+1.42½		Steel of Can.	1576	59¾	60¾	59	60½
54½	49½	1.75	3.3	Do. pref.	250	53½	54½	53	53¾
4	2	.	...	Sterling Coal	15	3	3	3	3
4¾	4¾	.	...	Stop & Shop	....	4¾	..	..	..
3	1½	.	...	Supersilk, H.	....	2½	..	..	..
72	58½	3.50	4.9	Do. pref.	....	72	..	..	..
33¾	21½	1	3	Sup. Pete. ord.	125	33	33½	32½	33½
32¾	23	1	3.1	Do. com.	....	32½	..	..	..
115	110	7	6.3	Do. pref.	....	111	..	..	..
				T					
37	23	.	...	Tamblyn	53	32¾	37	34	37
114	110	7	6.2	Do. pref.	26	112½	112	112	112
6	1½	.	...	Thayers	65	2½	2½	2½	2½
41	33	3.50	10.4	Do. pref.	....	33½	..	..	..
2½	1	.	...	Thrift Stores	50	2½	2	2	2
13	5	.	...	**Do. pref.**	160	8	9	8½	9
12¾	7	.	...	**Tip Top Tailors**	55	10¾	10¾	10½	10½
105	80	7	6.7	Do. pref.	10	103	105	105	105
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	10	.	...	Do. pref.	....	12	..	..	..
42	32½	1	2.5	Tor. Elevators	190	34	34¾	34	34
129½	108	7	6	Do. pref.	105	117	117	116	116
125	80	4	4.2	Tor. Gen. Tr.	9	90	94	94	94
121	110	6	5.1	Toronto Mtge.	3	115	118	118	118
150	133½	7	4.7	Tuckett Tob. p.	....	150	..	..	..
12½	2	.	...	Twin City	285	8	10	8½	10
b73	18	.	...	Do. pref.	....	..	..	..	..
				U					
10	3¾	.	...	Union Gas	5122	9½	9¾	9	9½
15	9	.	...	Un. Amuse. A	....	15	..	..	..
‡7½	7½	.	...	Do. (B)	....	..	..	..	..
1.40	.50	.	...	**United Distill.**	....	.75	..	..	..
‡2	2	.	...	United Fuel	....	..	..	..	..
29	15½	.	...	Do. pref.	430	23	23½	22½	22½
30	23	2	8.3	United Secs.	....	24¼	..	..	..
5	2	.	...	United Steel	300	3½	3½	3½	3½
				V					
2¾	1	.	...	Viau Biscuit	80	2¾	2¾	2½	2½
25	12	.	...	Do. pref.	5	24	25	25	25
				W					
31½	16	.	...	Wabasso Cot.	305	30¾	30	28½	28½
35	23	.	...	Walker-Good.	6855	33½	34¾	33	33½
18½	16¾	1	5.4	Do. pref.	2449	18½	18½	18	18½
4½	2	.	...	Walkerville Br.	1860	3¾	3½	3	3
2.75	1.00	.	...	**Waterloo Mfg.**	150	1.50	1.50	1.30	1.50
10	2¾	.	...	West. C. Flour	10	10	9	9	9
62	20	.	...	Do. pref.	10	57	58	58	58
50	32	2	4.2	West. Grocers	3	46¼	47	47	47
107	95	7	6.5	Do. pref.	....	107	..	..	..
120	120	7	5.8	W Koot. Pr pf.	....	120	..	..	..
17	13¾	60c	3.5	Weston Ltd.	1915	16¾	17	16¾	17
115	106	7	6.3	Do. pref.	25	110	110¼	110¼	110¼
9	1½	.	...	Whittall Can.	5	8¼	9	9	9
121¼	75	6.50	5.4	Do. pref.	....	121¼	..	..	..
3	1	.	...	Windsor Hotel	....	1	..	..	..
8	1	.	...	Do. pref.	....	1	..	..	..
3.25	.90	.	...	Winnipeg Elec.	365	2.50	2.75	2.50	2.50
14¼	4	.	...	Do. pref.	7	11	12	10	10
38	20¼	.	...	Wood, A & J, p	....	38	..	..	..
70	45	.	...	Woods Mfg. pf.	220	57	60	56	60
				Z					
5¼	2½	.	...	Zimmerknit, c.	....	3	..	..	..
85	63¼	.	...	Do. pref.	....	63¼	..	..	..

‡ Quotations for 1934. No sales recorded in 1935-36 to date.
§ Quotations for 1933. b New York Quotations.
† Quotations for 1931. ▲On account of arrears.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)

January 29, 1936

Dominion of Canada Bonds

		Bid Jan. 29	Asked Jan. 29	Approx. Yield	Bid Jan. 22
Dominion .. 2	15 Oct. 1936	100.15	100.75	.92	100.15
Dominion .. 5	15 Nov. 1936	102.25	103.25	.92	102.25
†‡Dominion .. 5	1 Mar. 1937	104.15	105.15	.30	104.25
‡Dominion .. 5½	1 Dec. 1937	107.65	108.65	.81	107.50
Dominion .. 2½	15 Oct. 1939	101.75	102.75	1.74	101.50
Dominion .. 4	15 Oct. 1939	106.75	107.75	1.83	106.50
Dominion .. 2	15 Nov. 1939	100.25	101.25	1.65	100.25
Dominion .. 4½	1 Sept. 1940	109.65	110.65	2.06	109.00
Dominion .. 5	15 Nov. 1941	111.75	112.75	2.63	111.25
Dominion .. 3	15 Oct. 1942	104.00	105.00	2.19	103.75
Dominion .. 2½	1 June 1943	101.50	102.50	2.13	101.25
Dominion .. 5	15 Oct. 1943	112.75	113.75	2.99	112.25
Dominion .. 4½	15 Oct. 1944	110.85	111.85	2.95	110.25
■Dominion .. 2½	15 Aug. '43-45	96.75	97.75	2.76	96.75
Dominion .. 4	15 Oct. '43-45	107.35	108.35	2.79▲	106.75
Dominion .. 4½	1 Feb. 1946	110.75	111.75	3.13	110.25
Dominion .. 3½	15 Oct. '44-49	103.25	104.25	2.94▲	103.00
Dominion .. 4	15 Oct. '47-52	106.65	107.65	3.23▲	105.85
Dominion .. 3	1 June '50-55	97.85	98.85	3.10	98.00
Dominion .. 4½	1 Nov. '46-56	108.25	109.25	3.47▲	107.50
Dominion .. 4½	1 Nov. '47-57	108.25	109.25	3.54▲	107.50
Dominion .. 4½	1 Nov. '48-58	108.65	109.65	3.57▲	107.75
Dominion .. 4½	1 Nov. '49-59	108.75	109.75	3.61▲	107.85
■Dominion .. 3¼	15 Jan. '56-61	97.65	98.65	3.34	97.50

Dominion Guaranteed Bonds

		Bid Jan. 29	Asked Jan. 29	Approx. Yield	Bid Jan. 22
*G. T. P. Ry. 3	1 Jan. 1962	98.00	99.00	3.05	97.50
Can. N. Ry. 3	1 May 1944	102.75	103.75	2.50	102.25
Can. N. Ry. 3	15 Dec. '45-50	98.25	99.25	3.06	98.25
*Can. N. Ry. 4½	1 Sept. 1951	112.00	113.00	3.44	111.00
*Can. N. Ry. 4½	1 Feb. 1956	112.25	113.25	3.57	111.25
†Can. N. Ry. 4½	1 July 1957	110.00	111.00	3.75	109.25
*Can. N. Ry. 4¾	15 June 1955	115.00	116.00	3.60	113.75
Can. N. Ry. 5	1 Feb. 1954	114.00	115.00	3.84	113.25
*Can. N. Ry. 5	1 July 1969	115.25	116.25	3.30▲	114.25
*Can. N. Ry. 5	1 Oct. 1969	117.00	118.00	3.62▲	115.75
*M. Harb. C. 5	1 Nov. 1969	117.00	118.00	3.63▲	115.75

Provincial Government Bonds

		Bid Jan. 29	Asked Jan. 29	Approx. Yield	Bid Jan. 22
Eastern—					
†N. Bruns. .. 4½	15 Apr. 1961	107.00	108.00	3.99	107.00
†N. Bruns. .. 5	15 Jan. 1960	113.00	114.00	4.08	112.75
N. Bruns. .. 5½	15 May 1950	112.75	113.75	4.22	112.75
N. Scotia .. 4½	15 May 1943	107.00	108.00	3.25	106.75
†N. Scotia .. 4½	15 Sept. '47-52	108.00	109.00	3.58▲	108.00
N. Scotia .. 4½	15 May 1961	109.00	110.00	3.88	108.75
†N. Scotia .. 5	1 Mar. 1960	114.00	115.00	4.03	114.00
*Ontario 4	1 June 1962	102.00	103.50	3.79	101.00
*Ontario 4½	1 Sept. 1944	108.00	109.50	3.24	108.00
Ontario 4½	1 June 1960	104.25	105.25	4.01	104.50
*Ontario 4½	15 Jan. 1962	106.50	107.50	4.04	106.50
Ontario 5	15 Oct. 1948	106.75	107.75	4.21	107.00
*Ontario 5	2 Dec. 1960	113.50	114.50	4.07	113.25
Ontario 5½	1 July 1946	108.00	109.00	4.42	108.50
O. H. C. 3½-4-5	1 Oct. '33-52	99.00	100.00	3.56▲	99.50
*Ont. Hyd. C. 4	1 Aug. 1957	101.50	103.00	3.79	101.50
Ont. Hyd. C. 4½	1 Jan. 1970	105.75	107.75	4.31	106.00
Quebec 4	15 Mar. 1952	106.50	107.50	3.40	105.50
Quebec 4½	1 Aug. 1958	109.00	110.00	3.60	108.50
Quebec 4½	2 Jan. 1963	110.50	111.50	3.81	110.25
Western—					
†Alberta ... 4	1 Dec. 1957	88.50	90.00	4.74	98.00
†Alberta ... 4½	1 Oct. 1956	90.00	92.50	5.08	90.50
†Alberta ... 5	1 Jan. 1948	93.00	95.00	5.52	94.00
Alberta ... 5	1 Sept. 1955	92.00	93.50	5.55	93.00
*Alberta ... 5	1 Oct. 1959	93.50	95.50	5.22	94.00
†Alberta ... 5½	1 Jan. 1947	95.50	96.50	5.94	95.50
Alberta ... 6	1 Mar. 1947	95.00	97.00	6.37	96.00
†Brit. Col. .. 4	1 Dec. 1957	94.00	95.50	4.32	94.00
*Brit. Col. .. 4½	15 Jan. 1951	98.00	99.00	4.59	98.00
†Brit. Col. .. 4½	1 Oct. 1953	97.50	99.00	4.57	98.00
†Brit. Col. .. 5	15 Jan. 1948	100.00	101.00	4.89	99.50
Brit. Col. .. 5	1 Sept. 1953	99.50	100.50	4.96	99.50
Brit. Col. .. 5½	1 Feb. 1945	100.00	101.00	5.37	99.50
Brit. Col. .. 6	15 Feb. 1947	100.50	101.50	5.70	100.00
†Manitoba .. 4	1 Dec. 1957	99.50	100.50	3.97	99.00
†Manitoba .. 4½	15 Dec. 1956	102.50	104.00	4.21	102.00
†Manitoba .. 5	15 June 1954	106.00	107.50	4.40	105.00
*Manitoba .. 5	2 Dec. 1959	107.00	108.50	4.43	106.00
Manitoba .. 5½	1 Oct. 1955	105.50	107.00	4.94	105.00
Manitoba .. 6	1 Apr. 1947	107.00	108.00	5.06	107.00
Sask. 4	15 Aug. 1953	91.00	92.50	4.62	91.00
*Sask. 4½	2 July 1945	97.00	98.00	4.76	97.00
†Sask. 4½	1 Oct. 1951	96.50	98.50	4.63	96.50
Sask. 5	1 Aug. 1958	99.50	100.50	4.96	99.50
†Sask. 5½	15 Nov. 1946	101.00	102.50	5.21	100.50
Sask. 6	15 Mar. 1952	104.00	105.00	5.54	103.50

Municipal Bonds

		Bid Jan. 29	Asked Jan. 29	Approx. Yield	Bid Jan. 22
†Calgary 5½	2 June 1944	83.00	87.00	7.63	82.00
†Edmonton . 5½	1 Nov. 1945	84.00	87.00	7.36	84.00
†Halifax 5	1 July 1961	112.00	113.00	4.17	112.00
Hamilton .. 5	1 May 1950	101.50	105.50	4.48	100.00
Montreal .. 5	1 Mar. 1945	105.50	107.50	4.01	105.00
Ottawa 4½	1 July 1945	105.00	107.50	3.56	105.00
†Quebec 5	1 June 1959	108.00	109.00	4.39	108.00
Regina 5	1 July 1944	85.00	90.00	6.55	85.00
St. John ... 5	15 Dec. 1950	107.00	108.00	4.27	107.50
†Toronto ... 4½	1 Jan. 1955	105.00	108.00	3.90	105.00
Vancouver . 5	1 June 1969	90.00	93.00	5.46	89.00
Victoria ... 5	21 July 1945	94.00	97.00	5.40	94.00
Winnipeg .. 5	1 Mar. 1944	102.00	104.00	4.41	102.00

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ●Calculated to maturity, although callable prior to that date. ‡Exempt from Dominion income tax. ■Payable in N.Y.

The Financial Post's Quotations

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of an approximate price is better than none at all.

Corporation Bonds

(Furnished by Toronto Bond Traders' Assoc.)

January 27, 1936

Public Utility Issues:	Int. Rate %	Due	Bid Jan. 27	Asked	Bid Jan. 21
‡Avalon 'Phone.	5½	'48	101	...	101
Beauharnois	5½	'73	80½	83½	80
Beauharnois	5	'73	27½	30½	26½
*Bell T'phone	5	'55	115	118	114½
†B. C. Power	5	'60	102½	105	102½
†Do.	5½	'60	104	106½	104
†B. C. T'phone	5	'60	106	108½	106½
†Calgary Pwr.	5	'60	100	103	100
Do.	5	'64	98½	101½	97½
†Can. Nor. Pr.	5	'53	102½	105	102½
Dom. Gas	6½	'45	86	89	86
§Duke-Price Pr.	6	'66	104½	106½	105
*Gatineau Pwr.	5	'56	92½	95½	93
*Do., A	6	'41	81½	84½	83
*Int'l. Hydro	6	'44	48	51	50½
†Maclaren-Que.	5½	'61	80	83	79½
Do.	5½	'64	78½	81½	78½
*Manitoba Pwr.	5½	'51	77	80	77
†Mtl. Island Pr.	5½	'57	104½	106½	104½
†Montreal Pwr.	3½	'56	98½	100½	98½
†Montr'l Tram.	5	'55	86	89	86½
†Do.	5	'41	102½	105	102½
Nat'l. L. & P.	6	'49	97½	100½	98
†N. S. L. & Pr.	5	'58	103½	...	103½
†Ottawa Light	5	'57	105½	108	105½
†Ottawa Val. Pr.	5½	'70	87	90	89½
†Power Corp.	4½	'50	93½	96½	...
*Quebec Pwr.	5	'68	...	...	105½
†Shawinigan	4½	'70	102½	105	102½
†Do.	5	'70	105½	108	106
†S. Canada Pr.	5	'55	104	107	104
†United Secs.	5½	'52	81	84	81½
†W. Koot. Pwr.	5	'56	106	108	105½
†Western Pwr.	5	'49	105	108	106
*Winnipeg Elec.	6	'54	78	81	77
Industrial and Realty Issues:					
Abitibi Pwr.	5	'53	42	45	41
†Acadia Sugar	4½	'55	101	...	...
†Alta. P. Grain	6	'46	98½	101½	98
‡Asbestos Corp.	6	'41	98½	...	97½
B. A. Oil	5	'45	106	108	105½
Do.	4	'45	102	104½	102
†B. C. Pulp & P.	6	'50	84	87	82½
Burns & Co.	5½	'48	91½	...	93
Can. Biscuit	6½	'46	25	28	24
Canada Bread	6	'41	107½	...	107½
†Can. Cement	5½	'47	105½	108	105½
‡Can. Ss. Lines	5	'43	102	...	...
Do.	6	'41	58	61	57½
†Can. Canners	6	'50	105½	...	105½
*Can. Int. Pap.	6	'49	87	90	85½
C. P. R.	4½	44	99½	102	99½
Do.	4	'49	99½	102	99½
Can. Rail & H.	6½	'51	49½	53	50
†Can. Vickers	6	'47	90½	93½	90
Cons. Paper	5½	'61	31	34	30½
†Dom. Canners	6	'40	109	...	109
Dom. Sq. Corp.	6	'48	59	...	58
†Dominion Tar	6	'49	103	...	103
†Donnacona P.	5½	'48	68	71	62
†East. Dairies	6	'49	85½	89	85½
†Fam. Players	6	'48	104	106	103½
†Do.	6½	'48	102	104½	102½
†Federal Grain	6	'49	99½	102½	...
Fraser Cos.●	6	'50	93½	96½	91½
Do.▲	6	'50	87½	...	86½
†G. Steel Wares	6	'52	102	104½	102½
Gt. Lakes Pap.	6	'50	43	46	43½
†Gypsum, Lime.	5½	'48	96	99	97½
Ham. Cottons	5½	'48	101½	...	101½
*Ham. By-Prod.	5	'55	98½	101	98
*Hinde & Dauch	5½	'48	102	...	102
†I. P. & P. Nfld.	5	'68	102½	...	102
Int. City Bak.	5½	'48	102½	...	102
Kingston Elev.	6	'50	97	100	97
Lake St. John P. & Pa.	6½	'47	94	97	95
London Rlty.	6	'50	91	94	...
†Massey-Harris	5	'47	91½	94½	91
McColl-Front.	6	'49	105	107	105
M. & O. Paper	6	'45	31	34	30
Mtl. Dry Docks	6	'48	81	...	80
Price Bros. bds.	6	'43	95	98	94½
*Prov. Paper	5½	'47	101½	104	101½
Queen's Hotel	6	'47	87	...	...
*Reliance Gr.	6	'48	102	104½	102
Richmond-Bay	6½	'47	96	...	...
‡Riordon Pulp	6	'42	104	...	104
†Rolland Paper	5½	'48	104	106	104
Ruddy & Co.	6½	'48	99½	102½	98
†Simpsons Ltd.	6	'49	104½	...	104½
Do.	5½	'49	102	...	102
†Smith, How'd.	5½	'53	104½	106½	104½
‡Steel of Can.	6	'40	112	...	112
Stop & Shop	6	'47	55½	...	...
United Corpns.	5	'53	90½	93½	90½
United Grain	5	'48	99	102	99½
Do.	5½	'49	101	104	101½
Western Grain	6	'49	86	90	87
Zimmerknit	6	'51	95	...	...

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. §Payable in U. S. only. *Payable in Can. or U. S. ●Unstamped. ▲Stamped.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass	20c	Mar. 2	Feb. 15
Do., pref.	$1.75	Apr. 1	Mar. 16
Anglo Can. Tel. pf.	87½c	Feb. 1	Jan. 20
Bk. Can. Nationale	$2	Mar. 2	Feb. 15
Beatty Bros 1st pfd.	$1.50	Feb. 1	Jan. 15
Bank of Toronto	$2.50	Mar. 2	Feb. 15
Buffalo Ankerite	5c	Feb. 15	Feb. 1
Blue Ribbon, pfd.	50c	Feb. 1	Jan. 28
Bank of Montreal	$2	Mar. 2	Jan. 31
Coast Brew.	23c	Feb. 1	Jan. 17
Can. Vinegars	30c	Mar. 2	Feb. 15
Can. Investors	10c	Feb. 1	Jan. 17
Can. Bronze	15c	Feb. 1	Jan. 20
Do., bonus	50c	Feb. 1	Jan. 20
Do., pref.	$1.75	Feb. 1	Jan. 20
Calgary Pwr., pfd.	$1.50	Feb. 1	Jan. 15
Can. Indus. A & B	$1	Jan. 31	Dec. 31
Can. South. Ry.	$1.50	Feb. 1	Dec. 27
Can. Dredge, c.	$1	Feb. 1	Jan. 15
Do., bonus	$1	Feb. 1	Jan. 16
Can. Bk. of Commerce	$2	Mar. 2	Jan. 31
Can. Converters	50c	Feb. 15	Jan. 31
Can. Invest. Fd.	3½+1c	Feb. 1	Jan. 15
Crows Nest Coal	‡$2	Feb. 15	Feb. 1
Dom. Bridge	30c	Feb. 15	Jan. 31
Dome Mines	50c	Apr. 20	Mar. 31
East. Theatres, pf.	$3.50	Jan. 31	Jan. 15
East. Twps. Tel.	18c	Apr. 15	Dec. 31
Frost Steel, 1st pf.	$1.75	Feb. 1	Jan. 18
Guelph Carpet, pf.	$1.62½	Feb. 1	Jan. 20
Gurd, Chas., pf.	$1.75	Feb. 15	Feb. 1
Hecla Mines	10c	Feb. 15	Jan. 15
Humberstone Shoe	50c	Feb. 1	Jan. 15
Hydro Elec. Sec. B	25c	Feb. 1	Jan. 20
Imperial Bank	$2.50	Feb. 1	Dec. 31
Int. Nickel, pf.	$1.75	Feb. 1	Jan. 2
Int. Utilities, pf.	$1.50	Feb. 1	Jan. 21
Do., $3.50 pfd.	75c	Feb. 1	Jan. 21
Inter. Mining	15c	Mar. 20	Feb. 29
L. of Woods Mill. p.	$1.75	Mar. 2	Feb. 15
Loblaw, A & B	25c	Mar. 2	Feb. 14
McIntyre Mines	50c	Mar. 2	Feb. 1
Mill City Pet.	†5c	Feb. 21	Jan. 31
Mitchell, J. S.	$1	Mar. 2	Feb. 14
McLennan, McFeeley, pf.	$1.62½	Jan. 2	....
Mtl. L. H. & Pr.	38c	Jan. 31	Dec. 31
Nat. Biscuit, pf.	$1.75	Feb. 29	Feb. 14
Do., com.	40c	Apr. 15	Mar. 13
Paterson, Wm., pf.	$1.75	Feb. 1	Jan. 20
Penmans	75c	Feb. 15	Feb. 5
Do., pref.	$1.50	Feb. 1	Jan. 21
Quebec Power	25c	Feb. 15	Jan. 24
Russell Motor pf.	$1.75	Feb. 1	Dec. 31
Do., on arrears	$..	Feb. 1	Dec. 31
Royal Bank	$2	Mar. 2	Jan. 31
Royal Trust	80c	Jan. 31	Jan. 31
Rosedale Gold	1c	Feb. 1	Jan. 28
Rolland Pap., pf.	$1.50	Mar. 2	Feb. 15
St. Law. Flour	50c	Feb. 1	Jan. 20
Do. pref.	$1.75	Feb. 1	Jan. 20
Simpsons, pfd.	$1	Feb. 1	Jan. 25
Steel of Can.	43¾c	Feb. 1	Jan. 7
Do., extra	$1.42½	Feb. 1	Jan. 7
Do., pref.	43¾c	Feb. 1	Jan. 7
South. Can. Pr., c.	20c	Feb. 15	Jan. 31
Shawinigan	15c	Feb. 15	Jan. 20
Toburn	2c	Feb. 21	Jan. 21
Weston, Geo., pf.	$1.75	Feb. 1	Jan. 20
Westminster Paper	20c	May 1	....
Ymir Yankee†	2c	Feb. 1	Dec. 31

†Initial.
‡Interim.

Winnipeg Stocks

(Transactions from Jan. 20 to Jan. 25)

	Sales	High for period	Low for period	Close Jan. 25
Bailor Gold	15,000	.01½	.00¾	.01½
Beaver Lumb. c.	50	2½	2½	2½
Can. Rand	5,000	.05½	.05	.05
Cons. Goldfields	4,000	.04½	.04	.04½
Dom. Envelop. c.	10	1	1	1
Flin Flon	20,100	.34½	.32	.32
Forty-Four	10	4.15	4.15	4.15
Gurney Gold	5,100	.42	.33	.42
Gold Lake	16,875	.58	.50	.53
Island Lake	3,500	.05	.04½	.04½
Laguna	200	.57	.57	.57
Jowsey Is.	13,900	.36	.30	.36
Monarch Life	20	18½	18½	18½
Knee Lake	8,500	.05	.04½	.05
Ore Grande	10,000	.11	.10½	.11
Rice Lake	34,400	.07½	.04½	.07
Packsack	500	.15	.15	.15
Sladen Mal.	1,000	.37½	.37	.37½
Scotia Gold	4,150	.08	.05	.05
Vanson Man.	11,000	.03	.03	.03
United Grain	8	12½	12½	12½
West. Breweries	450	2	2	2
Wingold	10,600	.09	.08	.09
Wylie	23,800	.41	.25	.40

Stocks Not Traded in During Week*	Bid	Ask
Beaver Fire Ins.	..	100
City Dairy, A	..	10
Comm. Securities	8	10
Dom. Envelope, pfd.	89	92
Home Investment	..	25
North. Trust	7	..
Pelissiers	..	½
Do., pref.	30	..
Traders Bldg.	65	..
West. Steel, pfd.	3	..

*Stocks more active on other exchanges not included.

Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

January 27, 1936

Industrial Stocks:	Bid	Asked
Acadia Sugar, c.	3.70	4.15
Do., pfd.	4.80	5.15
Acme Farmers Dairy, p.	35.00	40.00
Algoma Steel New, c.	40.50	42.00
Do., new pfd.	55.50	61.00
Andian National	48.50	....
B.C. Pulp & Paper c.	.85	1.50
Do., pfd.	10.25	13.00
Burns & Co. A	14.00	....
Do., B	8.00	....
Canada Paper 7% pfd.	106.00	109.00
Canada Starch c.	16.00	....
Do., pfd.	89.50	....
Canada Tea, pfd.	35.00	40.00
Can. Tube, 1st pfd.	42.50	....
Can. Industries A com.	238.00	....
Do., B com.	237.50	....
Do., pfd.	159.00	163.00
Can. Westinghouse	64.75	66.00
Chase, A. W., pfd. bonus	25.00	27.00
Dom. Found. & St. c. (new)	34.00	37.00
Do., pfd. (new)	93.00	95.00
Dunlop Tire, pfd.	51.00	....
East. Dairies pfd.	14.00	16.00
Edm. City Dairy, pfd.	58.50	....
Federal Grain com.	5.50	6.25
Do., pfd.	60.75	62.00
Goderich Elevator	8.75	9.50
Greening Wire, pfd.	103.50	105.50
Guelph Carpet, pfd.	103.00	105.00
Do., com.	16.50	18.00
Highland Dairy, com.	2.35	3.25
Do., pfd.	76.00	80.00
Industrial Accept., A	15.25	17.00
Morrow Screw, pfd.	93.00	....
N. Meth. Laund. pfd. bonus	76.00	....
Provincial Paper, pfd.	102.00	103.00
Reliance Grain, pfd.	92.50	94.00
Rob. Consol. Cone	9.50	10.25
Ruddy, E. L., pfd.	32.00	....
Silverwood's Dair., pfd.	46.00	....
Std. Fuel, pfd. bonus	106.25	107.50
Supertest Pet. B pfd.	27.25	29.00
Toronto Carpet, pfd.	32.00	37.00
United Steel, A pfd.	5.00	....
West. Grain, pfd. bonus	22.50	25.00
Willards Choc., pfd.	12.00	....
Trust & Loan Stocks:		
Chartered Trust	78.50	82.00
London & West. Trust	42.00	....
Premier Trust	93.00	....
Sterling Trust	32.00	....
Traders Finance, B pfd.	70.00	....
Trusts & Guarantee	30.50	32.50
Insurance Stocks:		
British America	36.00	38.50
Canada Life	509.00	518.00
Canadian Fire	76.00	....
Can. Shares, com.	11.00	13.00
Confed. Life, 20% pd.	120.00	125.00
Cont. Life, 20% pd.	36.00	40.00
Crown Life	112.00	....
Dominion Fire Ins.	114.00	....
Dominion Life, 50% pd.	266.00	300.00
Dom. of Can. Gen.	100.00	....
Empire Life, 25% pd.	7.25	8.50
Excelsior Life, 30% pd.	69.00	74.00
Federal Fire, 25% pd.	38.50	....
Fidelity Ins. of Can.	46.50	50.00
Great West Life	387.00	395.00
Guar. of N.A., fully pd.	247.00	....
Halifax Fire	22.00	22.75
Imperial Life	338.00	....
Manufacturers Life	255.00	261.00
Monarch Life, 10% pd.	18.00	20.00
National Life, 25% pd.	51.00	57.00
Sovereign Life, 25% pd.	15.50	17.50
Sun Life	475.00	485.00
Toronto Gen. Ins.	4.75	5.25
West. Assur. com.	36.00	39.00
Do., pfd.	39.75	41.00
Theatre Stocks:		
Allens Beach, pfd.	58.00	....
Do., Calgary, com.	7.25	9.00
Do., Kingston, pfd.	53.50	....
Do., Parkdale, pfd.	43.50	47.00
Do., Toronto, pfd. bon. c.	31.30	35.00
Loew's London, pfd.	1.90	2.25
Mansfield Theatre, pfd.	30.50	....
Para. Kitchener, pfd.	31.00	35.00
Do., Oshawa, pfd.	65.00	....
United Amusement, A	15.00	....
Do., B	14.00	....
Investment Trust Shares:		
Can. Gen. Invest.	7.90	8.00
Can. Investors	7.50	8.15
Can. Int. Inv. Trust Units	36.00	....
Cons. Div. Std. Sec. Units	11.50	13.00
Debenture & Sec., pfd.	38.50	....
Dom. Scott. Inv. Units	28.50	30.00
For. Power Sec., pfd.	15.50	....
Investment Found. Units	49.00	51.00
Sec. Holding Units	16.00	....
United Corpns., A	22.00	23.00
Do., B	8.00	8.50
Power Issues:		
Can. Pub. Service, pfd.	28.00	....
Can. West. Nat. Gas, pfd.	95.00	96.50
Do., com.	23.50	....
Great Lakes Pwr., pfd.	82.00	....
N.B. Telephone, com.	10.75	12.00
Nor. Ont. Power, pfd.	99.50	101.00
Nova Scotia L. & P., pfd.	100.00	102.00

Recent London Quotations:	
British Columbia Tele., pfd.	$105
Brewers & Distillers	5s. 4½d.
Canada Company	7s. 6d.
Canadian & Foreign Securities	4s.
Canadian Collieries, $1 c.	1½d.
Do., pref., $10	4½d.
Canada N. W. Land	10s.
Canadian Western Lumber	1s. 6d.
Third Can. Gen. Inv.	6s. 6d.
Hudson's Bay	20s. 9d.
Do., pref.	103s. 9d.

Unlisted Mines

January 27, 1936

	Bid	Asked
Arntfield Syndicate	.88	.94
Athona (Gt. B. L.)	.49	.52
Bidgood Kirkland	.46	.48
Bankfield Gold	.38	.40
Bathurst	.00½	.01½
Bosquet Gold	.10½	.11½
Can. Pandora	.07	.08
Casey Summit	.14	.16
Canusa Mining	..	.09
Casey Contact	.02	.03
Central Porcupine	.20	.22
Cons. Chib. Free	2.20	2.30
Cons. Chib. Pool	2.10	2.20
Cuniptau	.20	.22
El Bonanza	.07	.09
Forty-Four Gold	4.00	4.50
Glenora Gold	.09½	.10½
Galatea	.06½	.07½
Goldside	.03	.04
Gold Eagle	.25	.28
Greenlaw	.04½	.05½
Hudson Patricia	.16	.17
Jellicoe	.05½	.06½
Johnson Nipigon	..	.02
Kirk. Gold Belt	.08	.10
Knee Lake	.04½	.05½
Lafayette L. Lac	.04½	.05½
La Palme	.45	..
La Roche	.18	.20
Long Lac Lagoon	.04½	.05½
Lamaque Gold	3.65	3.75
Leitch Gold	.39	.42
MacL. Cockshutt	.04	.05
Magnet Lake	.03½	.04
Marbuan	.83	..
Matachewan Can.	.15	.17
McCarthy Webb	.07½	.08½
Mosher	.02½	.03½
North Shores	.03½	.04½
Oklend	.28	.29
O'Leary	.07½	.08½
Omega	.75	.78
Opemiska	1.68	1.72
Rice Lake	.07	..
Shawkey	.72	.74
Shinin Tree	.31	.33
Sigma	2.95	3.05
Sladen	.38	.40
Slave Lake	.67	.70
Smelter Gold	.05½	.06½
South Keora	.10	.11
Smith Cobalt	..	.05
Springer	.07	.09
Straw L. Beach	.06	.08
Sturgeon R. Gold	.48	.52
Thom.-Cadillac	.05	..
Wells Long Lac	.07	.09
Wingold	.07½	.09
Wendigo	.13	.15
Young Davidson	.29	.31

Mining Dividends

	Rate	Close Jan. 25	Yield %
Anglo-Huronian	20c	4.20	..
Buff. Ankerite	20c	5.60	3.9
Bulolo Gold	2.60	36.50	7.1
Cariboo	10c	1.25	8
Coniagas†	12½c	2.80	..
Cons. Smelters	$2.50+$4	215.00	..
Dome Mines	$2+$2	49.75	8*
Falconbridge	30c	8.00	3.7
Hollinger	65c+25c	16.37	5.5*
Howey Gold	5c	.72	..
Hudson Bay	$1	25.50	3.9
Int. Coal & Coke‡	1c	.15	..
Inter. Mining	60+5	11.50	5.6*
Int. Nickel, c.	$1	48.50	2¼
Kirk. Lake†	3c	.51	..
Lake Shore	$2+$2	56.87	7*
Macassa	15c	3.95	4
McIntyre	$2	47.50	4.2
McKinley Sec.	5c	.55	..
McWatters Gold†	5c	1.52	..
Mill City Pete.†	5c	.20	..
Nipissing	25c	2.90	..
Noranda	$2	48.75	4.1
Nor. Canada†	2c	.30	..
Premier	12c+1c	1.85	7*
Pioneer, B.C.	80c	11.85	6.7
Reno	12c+2c	1.13	12.4*
San Antonio	21c	3.25	6.4
Siscoe	20c+3c	3.24	7.1*
So. Amer. Gold	30c	5.90	5.1
Sunshine	50c	24.25	..
Sylvanite	20c	2.59	7.7
Teck-Hughes	40c	5.30	7.5
Toburn	8c	1.30	6.2
Wright-Har.	40c+20c	8.65	6.9*
Ymir Yankee†	2c	.64	..

‡Interim. †Initial. *Yield includes bonus.

Mining Stock Quotations

WEEK ENDING JANUARY 25

Par Val.	Range 1935-36 High	Low	Company	Sales	Close Jan. 20 (or last)	High for week	Low for week	Close Jan. 25
1	.77½	.38	Afton	22,700	.60	.67	.58	.67
No	.11	.04	Aldermac	10,600	.07¼	.07¼	.07	.07¼
1	.02¼	.01¼	Alexandria	32,000	.01¾	.02	.01½	.01¾
No	.60	.35	Algold	....	.59	....	....	....
No	.08½	.02¼	Algoma	12,500	.04	.04½	.04	.04½
No	4.75	3.55	Anglo-Huronian	1,375	4.25	4.35	4.15	4.20
No	.04	.01¼	Arno	21,900	.02	.03¼	.02¼	.03¼
1	1.19	.85	Arntfield	3,499	.93	.93	.90	.91
1	.32	.06½	Ashley	23,900	.16	.18	.15½	.17
1	.08	.02	Astoria Rouyn	12,600	.03	.03½	.03	.03
1	.14	.03	Bagamac	352,558	.07	.11	.07½	.10½
1	.08½	.02	Barry Hollinger	73,650	.04	.04½	.03½	.04½
1	.94	.10	Base Metals	18,100	.36	.36	.34	.35
1	1.06	.14	B.E.A.R.	1,900	.38	.42	.40	.40
No	2.16	1.25	Beattie Gold	30,835	1.66	1.70	1.60	1.67
1	.76	.30	Big Missouri	71,749	.69½	.76	.69	.72½
1	.38	.16½	Bobjo	14,205	.18½	.19	.18	.18½
No	12.50	4.25	Bralorne	15,210	6.70	7.15	6.80	6.90
1	.61	.20	Brazil Gold	6,600	.35	.40	.36	.37
1	.03½	.01½	Brett Trethewey	17,000	.02½	.03½	.02½	.03½
50c.	.24	.07	B.R.X. Gold	39,600	.10	.12½	.11	.12
1	5.00	2.35	Buffalo Ankerite	19,845	4.75	5.35	4.75	5.10
No	.13½	.00½	Buffalo Can.	14,000	.02¼	.03	.02¼	.03
5	38.15	30.00	Bulolo Gold	3,275	32.00	36.50	32.00	36.50
No	.08½	.03	Bunker Hill	84,360	.07	.13	.07	.12
1	.04½	.01	Can. Kirkland	1,000	.03½	.02	.02	.02
No	1.22	.54	Can. Malartic	19,815	1.10	1.19	1.05	1.15
1	1.50	.95	Cariboo Gold	11,000	1.20	1.26	1.20	1.25
1	.05¼	.02	Cartier Malartic	25,800	.04	.05	.04	.05
1	1.69	.55	Castle Trethewey	90,538	1.55	1.69	1.55	1.67
1	.23	.02¼	Cen. Manitoba	63,000	.19	.20	.17½	.20
1	3.10	1.12	Cen. Patricia	60,920	2.93	3.10	2.94	3.00
No	.55	.08	Chibougamau Pros.	1,029,700	.42	.55	.42	.48
No	.06½	.03	Church M. & Mill	2,500	.04	.04	.04	.04
No	.08	.02	Clericy	129,500	.02½	.04	.03½	.03¾
5	5.30	1.50	Coast Copper	210	4.00	4.00	3.70	3.70
1	.08	.01½	Cobalt Contact	75,400	.02	.03	.02	.02½
5	3.60	2.00	Coniagas	1,100	2.90	2.85	2.80	2.80
No	2.60	1.35	Coniaurum	9,915	2.10	2.10	2.00	2.00
25	220.00	125.50	Cons. Smelters	1,196	210.00	219.00	206.50	215.00
No	52.00	34.50	Dome Mines	13,133	46.00	52.00	46.00	49.75
1	.10	.03½	Dom. Explorers	1,500	.06	.05	.05	.05
1	.17½	.06	Duparquet	42,050	.10	.10	.09	.09
1	2.93	1.00	Eldorado	38,300	1.10	1.28	1.06	1.22
No	8.70	3.25	Falconbridge	37,513	7.10	8.00	7.00	8.00
1	.05¼	.02	Federal	35,000	.04½	.04¾	.04	.04¾
No	.35	.05	Francoeur Gold	289,750	.27	.35	.27½	.31½
1	.40	.03	Franklin Gold	97,300	.05½	.06½	.05	.05½
1	.45	.09	Gabrielle	1,550	.23	.24	.23	.24
No	2.24	1.16	God's Lake	40,953	1.32	1.35	1.30	1.30
1	.20	.10	Goldale	16,800	.17	.19	.17½	.18
50c.	.46	.20	Gold Belt	700	.35	.34	.32	.32
1	.22	.04	Goodfish	56,950	.16	.16	.15½	.16
1	.07	.02	Graham Bosquet	50,900	.05	.06	.05	.06
1	.40	.16	Granada Gold	11,333	.21	.21	.20	.20
No	.12	.05	Grandora	....	....	....	....	....
1	.45	.14	Greene Stabell	21,950	.24½	.25	.23	.25
1	.05	.02½	Grozelle	....	.05	....	....	....
1	.12	.04	Grull Wihksne	....	.09	....	....	....
1	.97	.48	Gunnar Gold	58,250	.88	.94	.85	.92
1	.08½	.02	Halcrow Swayze	18,300	.03½	.04½	.03½	.04½
1	.49	.28	Hard Rock	16,600	.42	.42	.40	.41
1	.10½	.04	Harker	27,900	.09	.09½	.07	.07
5	20.25	11.65	Hollinger	50,330	15.25	17.25	15.00	16.37
1	1.10	.55	Howey Gold	91,020	.67	.75	.67	.72
No	26.37	11.50	Hudson Bay	3,569	24.25	26.37	23.75	25.50
1	15.35	11.15	Inter. Mining	....	11.50	....	....	....
1	6.50	4.10	Do., Pur. Warr.	....	4.10	....	....	....
No	48.87	22.25	Int. Nickel	74,613	45.50	48.87	45.62	48.50
1	.38½	.09¾	J. M. Cons. Gold	125,305	.31½	.38½	.32	.37½
1	.75	.40	Kerr Lake	....	.40	....	....	....
1	.50	.20	Kirk. Hud. Bay	600	.45	.48	.48	.48
1	.65	.33½	Kirkland Lake	69,247	.49	.53	.48½	.51
1	.03½	.03	Kirk. Premier	....	.03	....	....	....
1	.33½	.12	Kirk. Townsite	500	.17	.15½	.15½	.15½
No	.07	.02	Lake Maron	31,000	.02½	.04½	.03½	.04½
1	59.00	46.25	Lake Shore	16,947	54.50	59.00	54.75	56.87
1	.10	.03½	Lamaque Contact	144,000	.08½	.10	.08½	.10
1	.20	.07	Lebel Oro	167,372	.17½	.20	.16½	.19
1	.08	.02½	Lee Gold	26,000	.03½	.04	.03½	.03½
No	7.55	4.15	Little Long Lac	37,650	7.10	7.55	7.05	7.45
1	4.02	1.31	Macassa	106,045	3.42	4.02	3.35	3.95
1	.05½	.00½	Malrobic	1,783,800	.01½	.05½	.01½	.04
No	.14½	.05½	Mandy	5,468	.13	.14	.12	.14
No	.12½	.05	Man. & Eastern	149,200	.08½	.10½	.08½	.10
1	.14	.02½	Maple Leaf	43,300	.08½	.10	.07½	.07½
5	49.25	34.00	McIntyre	17,984	44.75	49.25	44.00	47.50
1	1.63	.96	McKenzie R.L.	51,455	1.55	1.62	1.52	1.55
1	.70	.35	McKinley	103	.55	.55	.55	.55
1	.46½	.02½	McMillan	38,100	.06½	.06	.04½	.05½
No	2.15	.45	McWatters	64,110	1.45	1.61	1.40	1.52
1	.40	.10	McVittie	29,125	.28	.28	.27½	.27½
No	1.53	.85	Mining Corp.	22,465	1.36	1.50	1.35	1.45
No	.21	.07½	Minto Mines	....	.07½	....	....	....
1	.16	.05	Moneta	....	.09	....	....	....
1	.79	.35	Morris Kirk.	29,550	.63½	.67	.63	.66
1	.02	.00½	Murphy	128,200	.01½	.02	.01¾	.01¾
No	.04	.01	Newbec	4,650	.02¼	.02¼	.02	.02¼
1	.04½	.00¼	Night-Hawk Penn.	103,500	.01¼	.02½	.01½	.02½
5	3.00	2.00	Nipissing	12,225	2.75	3.00	2.75	2.90
No	49.50	31.00	Noranda	32,310	46.50	49.50	46.50	48.75
No	.33	.16	Nor. Canada	8,000	.29	.30	.29	.30
1	.75	.30	O'Brien	6,150	.40	.34	.34	.36
1	.10	.03	Osisko	....	.08	....	....	....
No	4.70	3.45	Pamour	23,652	4.60	4.65	4.35	4.55
1	.32	.18	Parkhill	22,750	.23	.26½	.22	.23
1	.04½	.01	Pawnee Kirk.	29,500	.02¼	.03	.02½	.03
1	.74	.16	Paymaster	257,225	.68	.74	.67	.69
1	1.15	.40	Pend Oreille	21,000	1.02	1.15	1.00	1.15
1	1.43	.55	Perron Gold	36,420	1.40	1.43	1.35	1.40
1	.09½	.01½	Peterson Cobalt	43,700	.02½	.03½	.02½	.03½
1	4.75	2.10	Pickle Crow	61,820	4.50	4.75	4.50	4.70
1	12.25	9.00	Pioneer Gold B.C.	9,305	10.95	12.00	11.00	11.85
1	.17	.05	Porcupine Crown	120,400	.05½	.07	.05½	.06½
1	2.05	1.35	Premier Gold	12,825	1.80	1.89	1.82	1.85
1	.03½	.01	Preston E. Dome	27,500	.02½	.03½	.02½	.03½
No	3.25	1.25	Prospectors Air's	3,200	2.65	2.85	2.75	2.75
1	1.28	.09¼	Quebec Gold	26,250	1.18	1.28	1.15	1.20
No	.15	.02½	Quemont	500	.05	.06	.06	.06
1	1.95	.55	Read Authier	76,712	1.71	1.95	1.67	1.95
No	.77	.25	Red Lake	150,050	.69½	.77	.68	.76
1	1.67	.73	Reno Gold	15,575	1.08	1.15	1.07	1.13
1	.03½	.00¼	Ritchie	77,700	.02½	.03½	.02	.02¼
1	.10½	.02	Robb Montbray	106,700	.05	.07	.05½	.07½
1	.10½	.02½	Roche Long Lac	17,000	.03¼	.06	.05	.06½
1	3.35	2.00	San Antonio	25,545	3.20	3.30	3.10	3.25
50c.	1.25	.54	Sheep Creek	1,500	.69	.72	.68	.70
1	1.23	.45	Sherritt Gordon	23,895	1.06	1.10	1.02	1.10
1	3.40	2.40	Siscoe	68,975	3.05	3.40	3.06	3.24
1	5.90	3.38	South Amer. Gold	5,100	4.75	5.90	5.00	5.90
No	.15	.02	South Tiblemont	61,740	.05½	.06	.05	.05½
No	.32	.13	Stadacona	351,540	.20½	.25	.18¾	.21¼
1	.39	.14½	St. Anthony	44,100	.20	.22½	.19	.21¼
No	4.10	1.25	Sudbury Basin	11,985	3.15	3.70	3.15	3.70
1	.11	.03	Sudbury Contact	3,200	.06½	.06½	.06½	.06½
1	.09¼	.03	Sudbury Mines	307,600	.04½	.04¾	.04¼	.04½
1	1.15	.30	Sullivan Cons.	119,503	1.00	1.10	.99	1.04
1	2.70	2.00	Sylvanite	24,925	2.47	2.63	2.46	2.59
1	.67	.25	Tashota	15,550	.38	.40	.37	.37
1	5.40	3.67	Teck Hughes	36,153	5.05	5.40	5.00	5.30
1	.04	.00½	Timiskaming	6,000	.03½	.03	.03	.03
1	1.45	1.00	Toburn Gold	2,850	1.32	1.30	1.20	1.30
1	.30½	.10	Towagmac	9,300	.22	.23	.20	.23
1	.60	.10	Treadwell	....	.20	....	....	....
No	1.92	.80	Ventures	64,595	1.64	1.75	1.62	1.75
No	1.30	.45	Waite Amulet	5,065	1.10	1.15	1.00	1.13
50c	.24½	.07	Wayside	31,900	.17½	.17½	.16½	.16½
No	.10½	.01½	White Eagle	26,500	.04	.04	.03½	.03
1	.07	.03	Wiltsey Coughlan	42,500	.03	.03	.03	.03
1	.07½	.03½	Wood Kirkland	2,000	.05	.05	.05	.05
No	9.90	6.90	Wright-Hargreaves	42,349	7.95	8.85	7.95	8.65
No	.85	.26	Ymir Girl	67,100	.45	.71	.46	.64

OIL STOCKS

Par Val.	Range 1935-36 High	Low	Company	Sales	Close Jan. 20 (or last)	High for week	Low for week	Close Jan. 25
No	.26	.13	Acme Gas & Oil	8,049	.15	.16	.15	.15
1	1.00	.40	Ajax	500	.55	.52	.52	.52
No	.85	.49	Calgary & Ed.	80	.78	.73	.73	.73
1	.09	.04	Calmont	1,500	.09	.07½	.07½	.07½
No	.06	.03	Common Pete.	3,000	.06	.05	.04½	.05
No	.57	.15	Dalhousie	2,209	.48	.49	.40	.46
No	.12	.04	East Crest	1,700	.08	.06½	.06½	.06½
No	.90	.08	Foothills	300	.55	.55	.50	.50
No	.15	.10½	High Sarcee	....	.13	....	....	....
No	.90	.42	Home	3,680	.76	.76	.70	.73
1	.15¼	.04½	Homestead O. & G.	12,100	.14	.15	.14	.14
No	.07	.06	Lowery	....	.06	....	....	....
No	.27	.14	Merland	1,500	.14	.15½	.15	.15
5	.28	.03	Nordon	12,500	.15	.20	.16	.19½
No	.07	.03½	Oil Selections	12,200	.06	.06½	.06	.06½
No	.07	.02½	Olga Gas & Oil	72,200	.06	.06½	.05½	.06½
1	.65	.40	Petrol Oil & Gas	....	.60	....	....	....
No	34.37	18.00	Royalite	2,864	32.00	33.00	31.50	32.00
No	.13	.04	South West Pete.	....	.08	....	....	....
No	2.45	.55	Texas Can.	23,575	2.16	2.45	2.15	2.45

VANCOUVER STOCK EXCHANGE

(Transaction for Week to January 24)

Par Val.	Range 1935-36 High	Low	Company	Sales	Close Jan. 18 (or last)	High for week	Low for week	Close Jan. 24
1	.02½	.00¼	Alexandria	....	.01¼	....	....	....
1	.01	.00½	Bayview	....	.00½	....	....	....
20c	.10	.03	Beaver Silver	3,500	.03½	.03½	.03	.03½
25c	.02½	.01	Bluebird	....	.01	....	....	....
No	12.25	4.35	Bralorne	15,198	6.90	7.10	6.75	7.00
1	.08½	.03	Bridge River Cons	7,300	.04	.04½	.03½	.04
50c	.24	.07	B.R.X. Gold	22,900	.11	.12	.10	.12
1	.55	.14	B.C. Nickel	10,700	.20	.19½	.17½	.18
1	1.80	.90	B.C. Silver	200	1.60	1.60	1.60	1.60
10	43.00	43.00	Bunker H. Sullivan	....	43.00	....	....	....
50c	.10	.03	Canadian Rand	....	.04½	....	....	....
1	1.50	.95	Cariboo Gold	7,620	1.20	1.25	1.16	1.25
1	.54	.12	Congress Gold	14,850	.16	.16	.14½	.15½
25c	.00½	.00¼	Cork Province	....	.00½	....	....	....
1	.09	.02½	Cotton Belt	10,000	.02½	.04	.04	.04
1	.01¼	.00½	Dalhousie Mines	....	.01	....	....	....
No	.95	.15½	Dentonia	53,720	.29	.29	.25½	.25½
No	.06½	.03	Dictator	20,000	.04	.04½	.04	.04½
1	.10½	.03	Dunwell	4,200	.04½	.04	.03½	.03½
No	.16½	.04	Fairview Amal.	1,550	.05	.05	.05	.05
50c	.46	.25	Fawn Mining	....	.42	....	....	....
1	.13	.05	Federal Gold	3,500	.09	.06	.05	.06
1	.30	.12	George Copper	....	.25	....	....	....
50c	.10	.03	George Enterprise	....	.05	....	....	....
1	.01¾	.00¼	Georgia River	....	.01½	....	....	....
50c	.05	.01	Glacier Creek	....	.01¼	....	....	....
1	.42	.10	Golconda	5,700	.14½	.16	.14½	.16
50c	.45¼	.18	Gold Belt	9,000	.32	.33	.31	.32
50c	.19	.02½	Gold Mountain	18,800	.05	.05	.05	.05
50c	.04½	.01½	Grandview	6,300	.02½	.03½	.03½	.03½
No	.24	.01½	Grange Mines	76,300	.03½	.04½	.03½	.03½
No	.24	.02½	Grull Wihksne	4,000	.09½	.10½	.09	.09
25c	13.50	6.40	Hecla	....	13.00	....	....	....
No	.03	.02	Haida Gold	....	.02	....	....	....
50c	.29	.18	Hedley Amal.	7,900	.26	.26	.25	.25
1	.12	.04	Hedley Sterling	....	.08	....	....	....
1	.02	.01	Hercules Cons.	....	.01	....	....	....
No	.12	.02	Home Gold	3,020	.03½	.03½	.03½	.03½
1	.01¼	.00½	Independence	....	.00¼	....	....	....
1	.03	.01	Indian Mines	....	.02½	....	....	....
50c	1.40	.68	Island Mountain	10,685	1.23	1.40	1.24	1.30
1	.02	.01½	Inter'l Coal	....	.20	....	....	....
50c	.72	.30	Kootenay Belle	2,600	.38	.39	.38	.39
25c	.01½	.00½	Koot. Florence	....	.00½	....	....	....
50c	.02	.01	Lakeview	....	.01	....	....	....
10c	.04½	.01	Lucky Jim	....	.01½	....	....	....
No	.41	.07	Mak Siccar	3,500	.10	.10	.09	.09
50c	.04	.00½	Marmot Metals	....	.00½	....	....	....
50c	.21	.15	McGillivray Creek	....	.15	....	....	....
50c	.21	.07½	Meridian Min.	15,100	.10	.12½	.10	.12½
1	.15	.05	Minto Mines	53,000	.08½	.08	.07	.07½
No	.12½	.02½	Morning Star	23,800	.02½	.03	.02½	.03
No	.10	.02½	Morton Woolsey	....	.00½	....	....	....
25c	.06½	.02½	National Silver	3,000	.02½	.02½	.02½	.02½
50c	.17	.05	Nicola	14,800	.10½	.10½	.10	.10½
50c	.06	.03	Noble Five	6,500	.04	.04	.03	.03
No	.09½	.01½	Pilot Gold	14,100	.03	.03	.03	.03
1	12.40	9.10	Pioneer Gold	7,380	10.85	11.85	10.75	11.75
50c	.15	.04	Porter Idaho	3,500	.04½	.04½	.04½	.04½
No	.01	.00½	Premier Border	3,000	.00½	.00¼	.00¼	.00¼
No	.03	.01	Quatsino Copper	....	.01½	....	....	....
25c	.15	.02	Quesnelle Quartz	....	.07	....	....	....
No	.18	.08	Reeves McDonald	50	.08	.08	.08	.08
1	.45	.18	Relief Arlington	3,000	.40	.40	.38	.40
1	1.62	.72	Reno Gold	9,375	1.08	1.14	1.06	1.14
No	.14	.02	Reward Mining	....	.02	....	....	....
1	.05	.00¼	Rufus Argenta	....	.00½	....	....	....
1	.05½	.00½	Ruth Hope	....	.01½	....	....	....
1	.62	.12	Sally Mines	2,700	.15	.13	.12	.13
50c	.15	.06	Salmon Gold	2,000	.12	.12	.12	.12
50c	1.18	.55	Sheep Creek	7,850	.70	.72	.68	.71
1	.05	.02	Silverado	....	.03	....	....	....
25c	.02½	.00½	Silvercrest	....	.00½	....	....	....
20c	.03	.00½	Silversmith	....	.01½	....	....	....
50c	.01½	.00½	Snowflake	1,000	.00½	.00½	.00½	.00½
1	.76	.42	Standard Silver	700	.54	.51	.50	.51
10	24.25	11.45	Sunshine	100	20.25	24.25	24.25	24.25
No	.32	.10	Taylor Bridge	2,800	.13½	.12	.12	.12
1	.20½	.08	Taylor Windfall	1,700	.10	.10	.10	.10
5	.35	.15	Toric	....	.15	....	....	....
50c	.10	.03	United Empire	500	.03	.02	.02	.02
No	.98	.13	Vidette Gold	6,260	.70	.70	.65	.66
No	.04	.00½	Viking Gold	....	.00½	....	....	....
No	.07½	.01	Waterloo Gold	5,000	.01½	.01	.01	.01
No	.03½	.00½	Waverley Tangier	28,350	.00½	.00¼	.00½	.00¼
50c	.23½	.07½	Wayside	6,200	.17½	.17½	.16	.16
20c	.05	.01	Wellington	....	.01½	....	....	....
1	.09½	.04	White Eagle	....	.04	....	....	....
1	.14	.04	Whitewater	2,000	.04½	.04½	.04½	.04½
No	.83	.26	Ymir Yankee Girl	8,700	.42	.69	.47	.65

OIL STOCKS

Par Val.	Range 1935-36 High	Low	Company	Sales	Close Jan. 18 (or last)	High for week	Low for week	Close Jan. 24
1	.12	.04½	Alta. Pac. Cons.	4,248	.11	.11½	.10	.11½
1	.22	.03	Amalgamated	9,500	.05½	.05½	.05½	.05½
1	.04	.00½	Anaconda	....	.02½	....	....	....
No	.05	.02	Baltac	....	.02	....	....	....
1	.10	.05	Brit. Dominion	....	.08	....	....	....
1	.25	.05	Crow's Nest	1,000	.06	.05½	.05½	.05½
No	.04	.01	Devenish	....	.01½	....	....	....
No	.25	.04	Freehold	7,250	.10	.09½	.09	.09½
No	.05	.01	Hargal	2,600	.04½	.05	.04½	.05
No	.18	.08	High Sarcee	1,050	.12½	.13¾	.13½	.13¾
No	.01¼	.00½	Madison	....	.01	....	....	....
No	.18	.10	Marjon Oil	2,700	.11	.13	.12	.12
No	.25	.02	McD. Segur Ex.	1,500	.04	.06	.06	.06
No	.25	.20	McLeod New	1,500	.22	.21	.20	.20
1	.40	.18	Mercury	6,850	.13	.13	.13	.13
No	.15	.07	Mill City Pete.	6,550	.15	.15	.13	.13
1	.38	.18	Model	3,800	.18	.20½	.18	.20½
No	.09¾	.03¼	Okalta	500	.04½	.04½	.04½	.04½
No	.10	.02	Pacalta Oil	8,000	.06	.05	.05	.05
1	1.35	.24½	Ranchmen's	2,000	.53	.60	.55	.57
No	.04	.01	Richfield	....	.01	....	....	....
1	.28	.15	Spooner	....	.25	.25	.25	.25
No	.10	.03	United	3,150	.06	.06	.06	.06
No	.14	.04	Vanalta	2,500	.05½	.06	.05	.06
1	.05	.01	Vulcan	....	.01½	....	....	....
1	.07	.04	Wellington Oil	....	.07	....	....	....

"THE HIGHER THE TAX, THE HIGHER THE COST OF PRODUCTION, AND THE HIGHER THE SELLING PRICE"

—Mr. C. H. Carlisle.

THE DOMINION BANK

65th Annual Meeting

IMMEDIATELY AVAILABLE ASSETS 65.29% OF PUBLIC LIABILITIES

Deposits Grow by Over $7,500,000. Depositors With $1,000 or Less Are 92% of Total Number.

President and General Manager Address the Meeting

"It is Absurd to Believe That Banks Would Wilfully Retard Growth by Refusing to Loan Money if Proper Opportunities Presented Themselves."

"A Decreased Demand for Loans Due to Present Business Conditions"

A large number of Shareholders attended the meeting, Mr. C. H. Carlisle, the President, in the Chair.

Mr. Dudley Dawson, General Manager, Addresses the Meeting

As you have just heard, the Bank's profits for the year were $1,130,052, a decrease of $21,509, as compared with 1934. After paying the dividends, making a contribution of $75,000 to the Officers' Pension Fund, providing $228,496 for taxes and writing $75,000 off Bank Premises, the Profit and Loss Account stood at $592,699, which is $51,557 more than was carried forward at the 31st December, 1934.

Turning to the Balance Sheet, a copy of which is before you: Notes of the Bank in Circulation were $5,902,231, a decrease of $781,392. (This was largely necessitated by the terms of the revised Bank Act, on which matter comment will be made later.)

Deposits Increase.

The total deposits were $105,937,211, consisting of interest bearing $84,370,564, and those not bearing interest, $21,566,647, as compared with a total of $98,269,160 a year ago, an increase of $7,668,051, about equally divided between those bearing interest and those not bearing interest. Nowadays large sums are left on deposit with the Banks by corporations as they know their funds are safe and they do not wish to invest even in "gilt-edged" securities, because the rates of interest are so low. The major portion of the increase under this heading is accounted for by funds of this nature.

Government Loan Repaid.

At the end of 1934 we owed the Dominion Government, under the Finance Act, $1,500,000—our share of a special loan of $35,000,000 made by the Banks to the Government in November, 1932. It has since been repaid, and as the Finance Act has been repealed, the heading will not again appear in our Statement.

Acceptances and Letters of Credit Outstanding were $4,022,279, an increase of $1,905,501, or nearly 100%. This reflects larger exports and imports of foreign goods and commodities by the customers of the Bank.

Changes in Balance Sheet.

The establishment of the Bank of Canada, and the revision of the Bank Act, have made it necessary for us to alter, in some respects, the set-up of our Balance Sheet. You will observe "Gold and Silver Coin" is now divided into four headings: "Deposit in the Central Gold Reserves" and "Dominion Notes" have disappeared, and the following new headings have been raised: "Notes of Bank of Canada," "Deposits with Bank of Canada" and "Loans to Cities, Towns, Municipalities and School Districts."

Gold and Coin, $264,030, shows a decrease of $802,758.

Holdings Gold.

The chartered Banks were obliged, under the Bank of Canada Act, to surrender to the Bank of Canada all their holdings of gold in this country—in our case, some $800,000 was involved. As this gold was held to protect liabilities outside of Canada, the Banks complied with the requirements under protest to the Dominion Government, and the result was that they were paid the ruling price—$35 per fine ounce—but only on 40 per cent. of their holdings; on the remaining 60 per cent. they received $20.67 per fine ounce.

Notes of the Bank of Canada and Deposits with the Bank of Canada total $12,203,098.

Issuance of Bank Notes.

Heretofore a Bank was permitted to issue notes up to the amount of its paid-up capital, plus its deposit in the Central Gold Reserves, and during the crop moving season, i.e., from the 1st of September to the 1st of March, an additional amount not exceeding 15% of combined paid-up capital and reserve fund. Under Section 61 of the revised Bank Act, a Bank is not permitted to issue circulation in excess of its paid-up capital; beginning this year, and continuing until 1940, the amount of notes outstanding must decrease at the rate of 5% per annum, and 10% per annum during each of the following five years. In view of this legislation, the Central Gold Reserves is not now required, and, as stated earlier, the amount of this Bank's circulation in the hands of the public has been reduced.

The Dominion Government no longer issues notes, this function having been taken over by the Bank of Canada, consequently the heading "Dominion Government Notes" has been eliminated from our Statement.

Reserves 11.6% of Deposits.

To comply with Section 27 of the Bank of Canada Act, a chartered Bank must maintain reserves of not less than 5% of its total deposit liabilities within Canada. This may be in the form of a deposit with the Bank of Canada or in notes of that institution, or in both. On the 31st December, 1935, we had in these reserves slightly over $12,200,000, which is 11.6% of our deposit liabilities in Canada.

A Strong Liquid Position.

Cash assets, $24,905,000, are equivalent to 21.59% of the public liabilities, as compared with 19.97% twelve months ago. Readily Realizable Assets, consisting principally of cash, Government, Municipal and other Bonds and Call and Short Loans, $75,305,441, are equal to 65.29%, as compared with 61.02% in 1934. These figures indicate that your Bank is in a very strong and liquid position.

Largest Investment Portfolio in History.

Although this was pointed out last year, it is of sufficient importance, on account of the large amount invested by the Bank in securities, to warrant repetition—that of a total portfolio of $39,516,000 (which is the largest in the history of the Bank) only $86,786, or approximately a quarter of one per cent., does not yield any return. Another feature worthy of note, is that $12,402,849 of the Bank's securities mature during 1936 and 1937; consequently we are in a favourable position to take advantage of a possible increase in rates of interest on securities and any demand for commercial loans which may arise.

Call and Short Loans in Canada were $7,256,258, as compared with $7,801,873 on the 31st December, 1934. The security held against these loans consists of readily marketable stocks and bonds, with adequate margin. Call and Short Loans elsewhere than in Canada $3,282,067, represent advances made in New York and London, Eng., against first-class securities.

Current Loans Lower.

Current Loans and Discounts in Canada, $45,209,589, and Loans to Cities, Towns, Municipalities and School Districts, $2,830,263, a total of $48,039,852, compared with $50,220,134 a year ago, show a decrease of $2,180,282. Most Canadian banks show lower figures under these combined headings for 1935 than they did in 1934. In times of depression when business slackens and prices fall, loans of this character naturally decline and during the last few years, in fact since 1929, they have shown a steady reduction, but it is hoped that as business improves the trend will be upward, as it is from this source that a Bank derives its greatest revenue.

Non-current Loans, $361,106, show a slight decrease from a year ago, when they stood at $376,463. Adequate provision has been made for all possible losses in the Bank's loans.

The Bank's Premises.

Bank Premises Account totals $5,855,000. During the year under review we remodelled our St. James St., Montreal, premises at a cost of $23,000. It is now a very attractive office, and will probably meet our requirements for some time to come. No expenditures were made during the year for land or new buildings, nor are any outlays of this nature contemplated in 1936. $75,000 has been written off for depreciation, as compared with $50,000 a year ago.

Real Estate other than Bank Premises and Mortgages on Real Estate Sold amounted to $122,277, an unimportant total.

It gives me much pleasure to acknowledge the splendid manner in which the members of our Staff, who now number 1,146, have carried out their respective duties during the year just closed.

Branch Offices.

The policy of eliminating unprofitable branch banks continues. During 1935 ninety-six offices were closed in Canada and there now remain 3,432. This is still too many and as time goes on the situation will undoubtedly be rectified. As there did not appear to be much likelihood of our being able to place the following branches on a profitable basis for at least some time to come, we considered it advisable to close them:

1746 St. Clair Ave. West, Toronto.

Wyandotte St. and Ouellette Ave., Windsor.

East End, St. Thomas.

Camrose, Alta.

Other Banks withdrew, by arrangement, in our favor at Delaware Ave. and Bloor St. West, Toronto; West End, Kitchener, and Whitby, Ont. Our first country branch was opened at Whitby in April, 1871—some of the founders of the Bank were from that community—and we have a fairly substantial business there. For the convenience of our customers, we opened a Branch at the corner of Pender and Howe Sts., Vancouver, where we consider the prospects are excellent.

Analysis of Deposits.

It is appropriate at this time to comment briefly on the unfair criticism directed against Canadian Banks during the past year or two. One of the first duties of a Bank is to safeguard its depositors, the large majority of whom are not, as is generally supposed, of the wealthy class. An analysis of this Bank's demand and notice deposits in Canada, excluding those of the Dominion and Provincial Governments, reveals that sixty-six per cent. of our depositors have balances of $100 and less, while those with deposits of $1,000 and less, make up ninety-two per cent. of the total number of depositors.

Loans Fruitful Source of Revenue.

Considerable attention has been given to the fact that the Canadian Banks' holdings of high-grade securities have increased substantially during the past few years, and in some quarters it is claimed that this policy has been detrimental to the borrowing public. Nothing is further from the truth. The Banks are at all times ready and willing to make advances to those entitled to credit—that is their most fruitful source of revenue. A decreased demand for loans, due in large measure to present business conditions, has resulted in the Banks purchasing high-grade Government securities to keep their money employed—they had no alternative.

Confidence in Steady Improvement.

Another subject I should like to mention is that the Banks perform many services for which they receive little or no compensation—this is a matter which is now being given attention—it should have been dealt with long ago. For instance, in cases where a depositor issues numerous cheques and only maintains a small balance, the cost of operating such an account, amounts, in the aggregate, to quite a substantial sum and it should be obvious to everyone that a Bank cannot continue to extend such service for nothing—a small fee is only reasonable and right, and such a charge is made in other countries.

In conclusion, as you all know, we have, during the past six years, been passing through a period af readjustment, which was long overdue. Undoubtedly, however, since 1932 business generally, has been on the upgrade. Notwithstanding that various major problems have yet to be solved, we look forward with confidence to a steady continuation of the improvement now in evidence.

Address of the President, Mr. C. H. Carlisle:

You, as shareholders of The Dominion Bank, are naturally and primarily interested in the return on your investments and the safety of your investments. Your General Manager, Mr. Dudley Dawson, has just read to you a statement of the Bank's affairs, as at the close of the fiscal year, December 31st last. He has commented on the year's operations and has told you in a brief manner of changed conditions in Canadian banking and how these conditions have affected, and are affecting your Bank's operations.

Improvement in Bank's Activities.

The results of the year just closed, as compared with the preceding year, show improvement in the Bank's activities. The profits of the year's operations have been sufficient to pay dividends at the rate of 10% per annum and add to surplus. Considering the restricted demand for money, the very low rates of interest charged, the small returns from investments, which your Bank must make to keep its money occupied, the assumption by the Bank of Canada of many remunerative functions that were formerly the privilege of the chartered Banks, the results of the year's operations should not prove disappointing. I am sure your General Manager will join with me when I state to you that your Board of Directors have played no small part in the results obtained, and have given unusual support to both management and staff.

Changes in the Board.

We greatly regret the death of Mr. Wallace Near, a Director and Vice-President of your Bank. Mr. Near was elected to the Board in 1917 and to the office of Vice-President in 1934. His death occurred last July. Mr. Near had a highly successful business career, he was frank, aggressive and able. He gave much of his time to the affairs of the Bank and his counsel was always sound and helpful.

Recently Mr. Joseph M. Pigott, of Hamilton, accepted an invitation to join your Board and was elected a member last November. Mr. Pigott is President of the Pigott Construction Company, Limited: President of the Pigott Realty Company. He has been successful in his business enterprises, is a man of sterling character, with broad experience, and will serve the Bank well.

False and Unjust Criticism.

It is, I suppose, inevitable at all times that men, rated as intelligent and honest, will occasionally make statements foreign to facts and harmful. This habit is most prevalent during election campaigns. Attacks have been unjustly made on business, financial institutions and on men who have done much for the betterment of our country and on men who are now entrusted with management. The false and unjust criticism of our chartered Banks last year was most unfortunate and harmful. Canadian chartered Banks have earned the confidence of our people and I think they enjoy the confidence of the people who are acquainted with Bank operations. Our Banks have endured without failure, the world's greatest business depression. They have served our Governments, our business and our people generally in a consistent and business-like manner.

Anxious to Increase Loans.

When interest rates were as high as 14% in New York, your Banks carried on at their usual rate of 6% to established industry. Our Banks have been criticized for retarding loaning, when the facts clearly show as Mr. Dawson has indicated, they are anxious to increase loans, when loans may be made on sound security. Banks can only be successful as there is expansion of business and the development of our country. It is absurd to believe they would wilfully retard that growth by refusing to loan money if proper opportunities presented themselves.

Government Financing.

On June 12th last, the Ontario Government tendered a loan of $15,000,000 as follows:

$5,000,000.	2¼%	...... 5 years
5,000,000.	2½%	......10 years
5,000,000.	3%	......15 years

We understand there were no bids for this loan. Immediately, through the press and otherwise, it was stated that the Banks and other financial institutions, had boycotted the loan on account of the Government having passed legislation cancelling certain power contracts. It is your right, as shareholders of the Bank, to know the Bank's action in this matter. Your Board did not refuse to share in this loan on account of the Government's cancelling power contracts nor on account of the Government's credit position, but on account of the rates offered being out of line with current high-grade securities. June 15th, the Government offered a substitute loan of $20,000,000 in terms of two and five years at rates of 2¾ per cent. to 3 per cent. Of this loan your Bank purchased $500,000 of these bonds which was in keeping with the money we had for investment at that time. June 12th, the time the first loan was offered, your Bank held Government bonds and Treasury Bills with a par value as follows:

Ontario	$10,472,000
Dominion	14,067,000
All other Provinces .	1,873,000
Securities held in all Power Companies .	170,000

From the facts submitted, the criticism as applied to your Bank, was most unfair and untrue. It is likely you will concur in the Board's action in this transaction.

Canada a Choice Country.

In the short time allotted to me on this occasion, it is difficult to say much of interest on national and international affairs. Sometimes I think we do not realize how favorably Canada compares with other Nations and the opportunities Canada offers. Our great expanse of fertile lands, our precious metals varied and great in extent, our coal, copper and lead, our forests and fisheries, our unsurpassed inland waterways, our educational institutions, our churches, our freedom of speech and religions, all of these make Canada a choice country in which to live.

Her Opportunities and Possibilities.

With less than 3 people in Canada to the square mile, compared with a corresponding figure of 196 people per square mile in France; 742 in England; 357 in Germany and 344 in Italy, Canada can easily support a population equal to, or greater than, that of the United States at the present time. Canada should be a country of low taxes, low cost of production and a prominent Nation in exports. The things we have done poorly, and may now be doing poorly, can never permanently retard the development of this country—they just cause temporary and unnecessary embarrassment. When I find fault with Canada's political and financial affairs it is for the purpose of betterment.

Our Enormous Debt.

A year ago, at your Annual Meeting, I called your attention to the seriousness of the enormous debt resting on our people. Since then the burden has been increased instead of lightened. We are face to face with vital conditions that affect our very existence; we can no longer give excuses why we do not solve them. Our Government debt, including contingencies, is estimated at $6,954,000,000, our corporate debt is estimated at $2,250,000,000, making a total of $9,204,000,000, with which our people have to deal. Our net annual interest payments to foreign countries are somewhat over six hundred thousand daily. Add to this, one hundred and sixty-six million dollars, due to the following causes: deficit on the Canadian National Railway, the non-payment of dividends on the Canadian Pacific Railway stocks, non-payment of interest and dividends on Paper Companies, securities, the lowering of deposit rates and you have an annual amount of about $385,000,000. Canadian production and commerce is deprived of this money. Provincial debts, since the war have increased by over $1,100,000,000, while municipal debts have increased almost a like amount. Ontario municipal debts have increased from $153,000,000 to $500,000,000 since 1913.

Facts to be Faced.

You may say I am painting a sad picture which will discourage and does not help. No, these are facts which you are facing and must remedy. Suggestions are many, that the only solution lies in inflation, confiscation or repudiation. This country is too wealthy and its people are too honorable and too proud to resort to these methods. Such methods are at all times demoralizing—as well, they always bring disastrous penalties, they never pay. We must establish income, must simplify government, have national instead of Provincial regulation over all kinds of transportation; and transportation service should be such as to earn a fair profit, based on the present worth of invested capital. We must eliminate waste which has almost ruined our country, we must open the doors of trade by reducing costs. This will solve unemployment and increase revenue whereby we can honorably pay our debts. We must not overlook the fact that Canada can consume only a portion of the larger elements of our production. We emphatically must not retard production, thereby increasing unemployment, contracting income and making our problems impossible. We must, on the contrary, increase our foreign trade, and in order to share in foreign trade, we must meet foreign prices and conditions. We can do this by lowering our costs, and in so doing it does not mean that our standards of living will be lowered.

Business Creates and Distributes Wealth.

One of the ways completely to destroy progress and recovery is excessive taxation. Industry is our way out. We must depend upon industry, upon the wealth which industry creates and the employment which industry provides, to bring about prosperity both for workers and employers. Business not only creates wealth and employment, but it distributes wealth—the only sound and legitimate way in which wealth can be distributed. Some people seem to think that business and wealth are things taken wrongfully from others. Business and wealth conducted and created by either individuals or State are absolutely necessary to civilized society.

Excessive Taxation Not the Cure.

Some people, through taxation, would confiscate wealth, but when accumulated wealth has been plundered, the creating of new wealth has been made impossible. Taxation must be paid out of production, there is no other way to pay it. The higher the tax, the higher the cost of production and the higher the selling price. The higher the selling price, the less merchandise bought; the less merchandise bought, the fewer people employed; smaller quantities of raw materials used. Heavy taxes retard and burden alike the laborer, the farmer, the professional man and the business man. Excessive taxation is no cure for financial troubles any more than a hypodermic of morphine is for a disease. It may temporarily relieve, but it does not cure.

Our Complex Problems.

We are encouraged by the active way our Dominion and Provincial Governments are attempting to solve our complex problems. The Ontario Government has made progress in cutting down expenses, but relief expenditure is terrific and is growing. There is very much yet to be done. All Governments should receive the co-operation of citizens of every party and class. The Dominion Government has a large working majority and thereby will not be under restraint in the work it undertakes. The meeting of the Dominion and Provincial Governments should result in benefits to all. It is hoped that needed changes will be made in the British North America Act. It would appear that all sections of the country would be benefited by extending the jurisdiction of the National Government in matters of trade, business and finance.

Gigantic Costs of Relief.

The whole problem of relief must be attacked anew and attacked from the point of view of absolute national necessities and not from the point of view of party politics or votes. If this is not done, the whole fabric of society is going to be in danger. We have witnessed lately some improvement in business and production, better conditions of employment and in a very limited measure, better times. But the point is, all of this has been accompanied not by a reduction, but by an increase in the gigantic costs of relief, and by added debt in scores of millions. We cannot maintain everyone on relief on a scale of comfort, the vast masses of people, if kept on a scale of even spare comfort, are not sufficiently inclined to get out and vigorously hunt for work and accept work when it is offered. Never before in the world's history was anything attempted like what is being attempted now, on the scale upon which idle people are taken care of. The whole system has to be revised and it has to be done in a thoroughgoing, determined and practical way. We have witnessed enough already to be sure that on the scale on which this is done at present, the machine of civilization just won't work; it is being overwhelmed by debts which now appal and which will soon absolutely destroy.

Taxes Stifle Our Progress.

Our great problems are unemployment relief, the staggering losses made annually by our national railways, the ever-growing debts of our too-many Governments, our increasing taxes that are stifling our progress and retarding our national development, the solution of these problems should not be of Government alone—you have a personal responsibility and we would make better progress if you would accept that responsibility. I have thought, if not too large a group could be selected from different parts of our country, choosing capable persons from different trades and professions, from manufacturers and financial interests, from commerce and transportation, that this group working unselfishly in conjunction with our Governments, might serve some useful purpose.

THE DOMINION BANK

Sixty-fifth Annual Statement

Balance of Profit and Loss Account, 31st December, 1934		$ 541,142 92
The Profits for the year ended 31st December, 1935, after making appropriations to contingency accounts, out of which accounts full provision for bad and doubtful debts has been made, amounted to	$1,130,052 91	
Less Dominion and Provincial Government Taxes	228,496 67	
		901,556 24
		$1,442,699 16
Dividends (quarterly) at Ten per cent. per annum	$700,000 00	
Contribution to Officers' Pension Fund	75,000 00	
Written off Bank Premises	75,000 00	
		850,000 00
Balance of Profit and Loss Account carried forward		$ 592,699 16

GENERAL STATEMENT

31st December, 1935

LIABILITIES

Capital paid up			$ 7,000,000 00
Reserve Fund		$ 7,000,000 00	
Balance of profits as per Profit and Loss Account		592,699 16	
Dividend No. 213, payable 2nd January, 1936		175,000 00	
Former Dividends unclaimed		484 27	
			7,768,183 43
Total Liabilities to the Shareholders			$14,768,183 43
Notes of the Bank in circulation		$ 5,902,231 50	
Deposits by and balances due to Dominion Government	$ 357,912 72		
Deposits by and balances due to Provincial Governments	1,047,882 76		
Deposits by the public not bearing interest	21,084,856 99		
Deposits by the public bearing interest, including interest accrued to date of statement	83,446,559 45		
		105,937,211 92	
Deposits by and balances due to other Chartered Banks in Canada		2,477,140 93	
Deposits by and balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		664,815 40	
Liabilities to the public not included under the foregoing heads		351,943 58	
			115,333,343 33
Acceptances and Letters of Credit outstanding			4,022,279 35
			$134,123,806 11

ASSETS

Gold held in Canada	$ 534 46		
Subsidiary coin held in Canada	262,722 31		
Gold held elsewhere	113 85		
Subsidiary coin held elsewhere	659 63		
		$ 264,030 25	
Notes of Bank of Canada	$2,271,569 00		
Deposits with Bank of Canada	9,931,529 60		
		12,203,098 60	
Notes of other Chartered Banks		439,900 00	
Government and Bank notes other than Canadian		88,180 56	
Cheques on other Banks		9,154,475 05	
Due by Banks and Banking Correspondents elsewhere than in Canada		2,756,277 64	
		$24,905,962 10	
Dominion and Provincial Government direct and guaranteed Securities, maturing within two years, not exceeding market value		11,842,690 71	
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value		18,330,775 01	
Canadian Municipal Securities, not exceeding market value		5,058,148 85	
Public Securities other than Canadian, not exceeding market value		1,250,827 22	
Other Bonds, Debentures and Stocks, not exceeding market value		3,033,637 56	
Call and short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		7,256,258 23	
Call and short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		3,282,067 94	
Deposit with the Minister of Finance for the security of note circulation		345,074 09	
			$75,305,441 71
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for		$45,209,589 81	
Loans to Cities, Towns, Municipalities and School Districts		2,830,263 86	
Current Loans and Discounts elsewhere than in Canada, not otherwise included, estimated loss provided for		219,564 06	
Non-Current Loans, estimated loss provided for		361,106 94	
Bank Premises, at not more than cost, less amounts written off		5,855,000 00	
Real Estate other than Bank Premises		85,068 54	
Mortgages on Real Estate sold by the Bank		37,209 12	
Other Assets not included under the foregoing heads		198,282 72	
			54,796,085 05
Liabilities of Customers under Acceptances and Letters of Credit, as per contra			4,022,279 35
			$134,123,806 11

C. H. CARLISLE, *President.* DUDLEY DAWSON, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS

We Report to the Shareholders of The Dominion Bank:—

That we have examined the above Balance Sheet as at December 31st, 1935, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have examined the cash, and the securities representing the Bank's investments, held at the Head Office and certain of the larger Branches as at December 31st, 1935, and in addition we examined the cash and the securities held at certain of the important branches during the year. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.,
of Peat, Marwick, Mitchell & Co.

D. McK. McCLELLAND, F.C.A.,
of Price, Waterhouse & Co.

TORONTO, JANUARY 16th, 1936.

"ALCOHOL" MAKES FURTHER CONTACT

From Our Own Correspondent

MONTREAL.—Further sales of American type whiskies have been effected by Canadian Industrial Alcohol Co. At the same time it was officially announced that plans are being rushed to place the Industrial Alcohol division on a basis to supply industry in Canada with a product of a nature not previously manufactured in the Dominion.

In regard to additional sales, 200,000 gallons have been disposed of in one block to an entirely new connection in the United States. In addition a substantial quantity of whisky has been disposed of to still another outlet. Further, Schenley Products Corp. on January 20 exercised their option agreement to a further amount of 150,000 gallons of whisky beyond those quantities already taken.

Dividend in Prospect

This new business has accrued in the second quarter of the current fiscal year and it is officially intimated that the company, now having the benefit of the completely readjusted balance sheet position, is nearing the point where cash income is mounting and some consideration may be given to inception of a dividend on the shares within a reasonable time.

From the industrial angle the company's position is in a process of changing materially with the development of new products and new outlets. In the past the chief market for commercial alcohol was for anti-freeze lines as used in automobiles, plus a moderate sale for other purposes, these being of a highly competitive nature. The company is now making changes in its distillery at Corbyville that will permit it in future to manufacture under rights obtained from the patentee, anhydrous solvents such as acetone and butyl alcohol that are widely used in the manufacture of lacquers and similar products. Production of these new lines will be started early in March.

Alberta's Hat Industry

Although young as yet, the hat and cap industry in Alberta is represented by three firms whose gross value of production in 1934 was $28,868, as compared with $20,822 in 1933.

New Coins and Stamps

From Our Own Correspondent

OTTAWA.—The death of King George V will have a marked effect on the design of Canada's currency and postage stamps.

Officials at Ottawa are now studying the precedents and decisions will be reached in due course. It is probable that the change in design will not take place until 1937 so far as currency goes. The change in stamps may take place late this year, but it, too, is more than likely to stand over until 1937.

There are no regulations in regard to this matter. The King's head always appears on our coins but there is nothing mandatory about using his portrait or those of the Royal Family on the notes.

With respect to coins, King Edward will be facing the opposite way of his father. This is always done, although there is no rule in the matter and no one, apparently, knows the why of it. King Edward VIII will face the same way as his grandfather, King Edward VII. King George faced the same way as Queen Victoria.

It is expected that the mint will continue to use the present dies until they have to be scrapped and will make the change over when new dies are installed.

King's Portrait on $1 Bills

A portrait of King George has been used on the one-dollar bills. Queen Mary's picture has been reproduced on the twos. In the future King Edward will appear on the ones instead of on the fives (as at present). It is the practice to print the portrait of the King on the note most widely in circulation. A new design for the five-dollar note will have to be made.

New Stamps

The post office department is still studying the problem presented by the death of the King.

The department has about a six months' supply of stamps on hand. The picture of the late King appeared on six issues—one cent, two, three, four, five and eight.

Caribbean
CRUISES
VIA
M.S. Lafayette
LEAVING
FEBRUARY 7 & 28
St. Pierre - Fort-de-France
Trinidad - La Guayra - Cartagena
Cristobal - Kingston
6192 miles in 17 days. $200 up.
LEAVING
MARCH 20
Nassau - Kingston
Port-au-Prince - Bermuda
3641 miles in 11 days, $135 up.
BERMUDA CRUISES
APRIL 2 & 8
5 days. $65 up
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AND SOCIAL WEAR
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SPORT TWEEDS
With Trousers to Blend
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SUMMER TUXEDOS
IN WHITE OR PASTEL SHADES
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TO BE WORN WITH
Dress Trousers,
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For Style and Ease
Come to
Levy Bros.
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No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.
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61 Yonge St., Toronto
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is
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AT
CHALFONTE
HADDON
HALL
You will be, too, with the heartening hospitalities of these Boardwalk hotels to add to the sea and the season. Sunny lounges and Ocean Decks. Riding on the sand. Golf. Indoors, a galaxy of concerts and varied amusement.
$7 up at Chalfonte. $8 up at Haddon Hall, single, American Plan. $5 up at Haddon Hall, single, European Plan. Special weekly rates.
Leeds and Lippincott Company
ATLANTIC CITY

T. Frank Matthews

Business Builder, Packer and New President of Toronto Board of Trade

By WELLINGTON JEFFERS

Toronto's Board of Trade for 1936 is headed by a man who typifies one of the chief sources of Toronto's prosperity.

That man is T. Frank Matthews, a successful packer of 50 years experience. Like many of Toronto's prominent citizens—Sir Joseph Flavelle, E. R. Wood and Senator Cox, for instance—his early successes were made in business building in Ontario outside Toronto.

The strongest factor in the very important business which goes on between Toronto and towns, cities and countryside of Ontario are the hundreds of such men who had their training in developing businesses outside Toronto. They naturally gravitated to that city as their affairs prospered.

Those lines of trade communication have been kept open, and the associations of the men responsible have been mutually beneficial to city and town alike.

T. F. MATTHEWS

Fifty Years a Packer

T. Frank Matthews began and remained with the company which was founded by his father, George Matthews, of Lindsay. It was consistently successful through all the changes of nearly 60 years and is still an important component of Canada Packers. Mr. Matthews himself got into harness in his early teens and is familiar with every detail of the history by which the industry has grown. He knew the business when there were many packers in different towns and cities of Canada and recalls the intimate personal relations which formerly existed between packers and farmers.

The writer recalls George Matthews, father of the new president and founder of the Matthews business, as a dignified figure seen daily in the 80's, 90's and later, on the streets of Lindsay. Few of those who saw him pass back and forth from his home to his office and plant can forget the large, leonine head, heavy shoulders and strong frame of the founder of the business.

T. Frank was already in Peterborough before the 90's arrived.

Taught by Tilley

It was common knowledge in Lindsay that the father had come from Birmingham, Eng., where he learned the packing business from his father.

In fact, the Birmingham residence was just next to where "Joey" Chamberlain lived. This was the same Joey that Lloyd George accused of precipitating the South African war.

Joe Matthews, youngest brother of T. Frank, fought through and survived that war.

He lost his life in the Great War, however. The writer remembers him at Lindsay Collegiate Institute as a splendid chap and generally respected.

J. C. Harstone was then the principal, but T. Frank had gone to the same high school a decade earlier under Principal Tilley, father of W. N. Tilley, nationally known Toronto lawyer.

Sons Achieve Fame

George Matthews brought little with him to Canada beyond strength of body and character, health, an excellent headpiece and a knowledge of packing. He married Miss Ann Smithson, Canadian girl, and they were later to have the kind of family Francis Galton, father of eugenics, would have revelled in. There were ten children, six sons and four daughters, all of whom have given an excellent account of themselves.

Hon. R. C. Matthews, cabinet minister under Premier Bennett at Ottawa, and Albert E. Matthews, prominent investment banker, are two of the sons.

George Matthews finally started his Lindsay packing plant under his own name in 1878.

In 1885 he opened a branch in Peterborough and this was managed by his eldest son, W. E. Matthews. The latter took charge of the Ottawa branch opened in 1889, leaving T. Frank and his brother, George, in Peterborough. At 20 years of age T. Frank was manager of the Peterborough plant. In 1894 the business became a limited company with father and sons as shareholders of George Matthews Co., Ltd.

In 1902 the growing company bought out a farmers' co-operative company at Brantford known as the Brantford Packing Co. It was started by a man from England. He induced the local farmers to take stock, but it lasted only two years. George went to Brantford to manage the new plant.

Business Prospered

The business prospered in all branches. Year by year volume increased. Profits went back into the business with the result that it continued to expand. In 1911 the company amalgamated with Laing Packing Co., of Montreal, and Park, Blackwell Co., of Toronto.

The company was known as Matthews, Blackwell, Ltd. until 1919 when the whole business was sold to United States' interests, and operated as a subsidiary of Allied Packers, Inc., under the name of Canadian Packing Co., Ltd. Then Mr. Blackwell and all the Matthews brothers but T. Frank retired from the business.

T. Frank remained as president of Canadian Packing Co., and vice-president of Allied Packers, Inc. Eight years later in 1927 the Canadian business was sold to Canadian interests and now forms an important part of Canada Packers, Ltd. T. Frank retired from active work in the packing business in the fall of 1928 but has remained president of Canadian Packing Co. and vice-president of Canada Packers to this day.

Farmers-Packers Prosper Together

With that background, The Financial Post asked T. Frank Matthews three questions about the packing industry:

Is the intimate contact with farmers of earlier years fruitful of good to both?

What is the secret of survival of his firm when so many others fell by the wayside even before the Great War?

Are prospects of that industry still excellent?

"Undoubtedly the friendship existing between farmers and packers in the early days was good for both," he answered. "They realized they had a common problem. I know that we imported a number of fine boars from England in order to improve the quality of swine in Ontario. We knew that was absolutely essential if we were to compete on good terms with the Danes. Farmer and packer exchanged ideas which were good for both. In fact, the packing business in the early days grew out of the farm.

"At first the farmer not only bred and fed the pigs but he slaughtered them and brought them to the packing plant.

Product Improves

"But the product has improved beyond recognition since those days. In the early days we had to hard cure the bacon because it had to be sold through the spring, summer and fall, and it had to stand the wait. It gets a mild cure now and is ever so much more palatable. That has been made possible by developments in refrigeration, quick transportation, increased means of distribution and the much quicker turnover that merchants now give their goods.

"That naturally increases the demand. The product is much better also because of the improvements in swine through Canada. But the improvement has not gone far enough yet.

"Farmers and packers alike will benefit if farmers consistently try to improve their swine. Nothing would have a greater effect on stabilizing demand than consistent quality of bacon and other pork products. In the various branches, managers still try to keep in as intimate touch with farmers as possible. It is essential if farmers are to know what packers can sell and therefore what they will buy.

Why Others Failed

"As to your second question, the history of the packing industry for the last 50 years has had many tragic episodes. Looking back, I would say that we survived because we knew our business in every detail. We knew what pigs to buy, how to process them, and how to market them. A lot of firms got into the business because they thought there was big money in it. They had no background to enable them to stand the gaff of hard times when it came. That was true of co-operative as well as corporation packing companies.

"I never knew a successful co-operative packing plant. The idea has attracted farmers at different times during my experience and they have bought shares. But there is nothing that takes the place of experience gained by men who build their business up from the bottom.

"That is probably true in all types of industry. I remember that in Peterborough we started as fine a binder twine company as Messecar did in Brantford. We got an expert from the United States to run it. But Messecar knew his business and built it up soundly whereas the Peterborough company had finally to close its doors. It was considered a very promising company when it started."

Relief Problems

"What do you think of income tax proposals of the Ontario government?" he was asked.

"We have undoubtedly a serious relief problem to deal with," he answered. "To get the extra revenue there must be taxes of some kind if the budget is eventually to be balanced. All we insist on in the board of trade is that every possible economy should first be made in all the expenses of government. We do think as well that some of our politicians are getting off on the wrong foot by advocating lessening of corporate profits by various government measures.

Profits Increase Employment

"The Matthews business increased through the decades because it was prosperous. We were able to create new plants and to give increasing employment and to buy more and more from farmers, because we made profits. Those profits we turned back into the business continuously. The right fiscal policy is to encourage as much of that sort of thing as possible. Any government will kill off important sources of revenue if it adopts policies which lead business men to transfer their wealth and operations to other places. If governments make it easy for men of initiative and capital to invest, and to profit from their investments when they are successful, their own revenues will benefit.

Some Income Tax Dangers

"Taxation in Ontario on individuals as well as companies is already burdensome. It is undoubtedly hindering development and therefore increased employment. The combination of Ontario, Federal and municipal taxation makes the total confiscatory in effect. The new tax is stated to be a temporary one to meet unemployment relief expenditures. Otherwise, the government states, its budget is balanced. We think the present income tax should therefore be ear-marked for unemployment relief and that it should be lowered and eventually removed as and if economic conditions improve enough to lower the cost of relief substantially.

Tax Building to Standstill

"There are many anxieties connected with the change from municipal to provincial income taxation. Something should be done to continue the exemption of income from real estate and from mines. Otherwise the recovery of construction will be halted and development be halted in the mines. Present business tax deductions should also be continued in some way. The old allowances for payment of income tax in Great Britain and elsewhere should also be continued."

It is banal, but correct, to say of the new president that he is 66 years young. He has had and still has energy for public activities of an engrossing kind. Even in Peterborough he was for 15 years chairman of the Utilities Commission. His son, Gordon, now fills that position.

Walker, Golfer, Curler

He has been fond of exercise in the open air. He was a curler in Lindsay and Peterborough in the days when Lindsay was known to curlers the continent over. Peterborough, in that one thing at least, never eclipsed Lindsay which had Ontario's most famous skip, the late J. D. Flavelle, as mentor and active player.

T. Frank is still a curler and is delighted that artificial ice has brought about such a revival of interest in this sport in the last ten years. The Granite Club on St. Clair Avenue finds itself pressed for ice space even in its new quarters.

For seven years T. Frank Matthews was president of Lambton Golf Club. He approached golfing by an unusual route, the writer understands. He was always fond of walking, and years ago formed a walking club in Toronto. R. S. McLaughlin and A. L. Ellsworth were other members, but there were a number of prominent men who used to hike about the country weekly.

The club still exists. But the members meet at various golf clubs and do their walking about the different courses. They get almost as much walking, avoid the roads, and have a game and chat. They have found that a walking club merges naturally and joyously into golf.

He has hosts of friends. They say he is entirely free from "side." He avoids the showy by instinct. He gets the fundamentals of any question quickly. His success results mainly, it is said, from his shrewd intelligence, his capacity for friendship and co-operation, and a managerial effectiveness which secures results with an entire absence of fuss or feathers.

Provincial Manager

J. E. LEDUC

Who has been appointed manager of the head office branch of the Provincial Bank of Canada at Montreal. Mr. Leduc succeeds J. U. Boyer, who was recently made general manager.

Trust and Loan Companies

Canada Trust

Profits of the Canada Trust Co. in the year ended Dec. 31, 1935, amounted to $121,776, or slightly higher than in the preceding year, But a larger appropriation for taxes brought the net for the year a few dollars below the 1934 figure. However, the company states that internal reserves were increased out of earnings by the largest sum in its history. Profit and loss balance carried forward was $43,028.

Although municipal securities dropped by $425,000 during the year, substantial increases in government holdings and in cash, and an increase of $500,000 in estates, trusts and agencies account, brought total assets to $32,936,562, more than $1.4 millions over the total in the previous year. The rise in assets was accompanied by an increase in trusts funds of $950,000.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1930	1,850,000	132,081	10	13.21
1931	1,850,000	108,078	10	10.81
1932	1,850,000	100,830	10	10.08
1933	1,850,000	100,206	10	10.02
1934	1,750,000	100,407	10	10.04
1935	1,750,000	100,384	10	10.04

*After expenses of management and other charges, taxes, and making provision for actual losses.

Public Liabilities and Assets

	1935	1934
	$	$
Trust funds & int. ...	8,972,396	8,022,944
Secured by assets:		
Liquid assets	1,790,066	1,447,198
Mortgages and int. .	7,182,319	6,575,746
Capital ac. assets .	1,793,028	1,792,643
Total	10,765,413	9,815,587
Estates, etc.	22,107,637	21,619,876

Victoria Trust & Savings

Earnings of the Victoria Trust & Savings Co. in the year ended Dec. 31, 1935, were slightly above the previous year's figure at $55,055. This was equivalent to $6.80 a share on the outstanding capital stock, compared with $6.50 in 1934.

Total assets rose $86,000, an increase in guaranteed trust account more than offsetting small decreases in both capital account and the estates department. This last department was featured during the year by a marked extension of the geographical area from which the estates came.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1930	1,600,000	127,801	10	15.97
1931	1,670,000	119,284	10	14.83
1932	1,695,000	99,351	10	12.28
1933	1,695,000	64,553	8	7.97
1934	1,695,000	52,641	6½	6.50
1935	1,695,000	55,055	6	6.80

*Reserve for federal taxes and amount written off premises deducted.

Public Liabilities and Assets

	1935	1934
	$	$
Invest. certificates ..	4,889,442	4,704,563
Deposits	1,417,295	1,454,620
Total	6,306,737	6,159,183
Secured by assets:		
Liquid assets	744,922	627,419
Mortgages & int. ..	5,561,815	5,531,764
Net capital ac. assets	1,703,863	1,697,407
Total	8,010,600	7,856,590
Estates, etc.	964,276	1,031,976

Huron & Erie

Operations of the Huron & Erie Mortgage Corp. in the year ended Dec. 31, 1935, resulted in a profit, before taxes and amount written off premises, of $377,896, about $64,000 under that of the previous year. Taxes were $38,362 less, and premises write-off was $24,553 lower, so that net profits for the year were very slightly under the 1934 figure. After all charges, profit and loss balance was carried forward at $125,251, $2,703 above the previous year's balance.

It is understood that a substantial portion of earnings was set aside to increase the internal reserve. This reserve was further strengthened by the transfer to it of $500,000 from the main reserve fund, and now stands at the highest point in the corporation's history. It is maintained to provide against possible losses on investments.

The balance sheet is featured by substantial increases in holdings of government bonds, although municipal issues are sharply lower. Cash and other quickly realizable assets now total $5,376,993. Total assets at $45,710,465 are down from $46,873,615 in 1934. Most of this decrease can be attributed to a reduction of almost $1 million in mortgage holdings.

While debenture certificates outstanding have dropped from a year ago, savings deposits have moved up to $9,231,464.

Earnings Record

Year	Paid-up Capital and Reserves	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1930	7,800,000	511,615	8	10.23
1931	7,800,000	400,490	8	8.01
1932	7,800,000	404,724	8	8.09
1933	7,000,000	353,334	6½	7.07
1934	7,000,000	303,880	6	6.08
1935	6,500,000	302,703	6	6.05

*After management expenses and all other charges, taxes, provision for actual losses, and amount written off office premises.

Public Liabilities and Assets

	1935	1934
	$	$
Canadian debentures .	26,905,683	27,630,958
Sterling debentures ..	2,481,834	2,519,989
Debenture interest ..	376,232	419,525
Deposits	9,231,464	9,053,095
Total	38,995,213	39,623,567
Secured by assets:		
Liquid assets	5,376,994	5,792,697
Mtge. & sale agree.	35,060,896	36,025,172
Other net assets ...	5,182,575	4,928,246
Total	45,620,465	46,746,115

Hudson Bay Mortgage

Hudson Bay Mortgage Co. reports an operating loss of $173 for the year ended Dec. 31, 1935, and a net loss, after income tax, of $551.

Dividends of $1,555 brought deficit for the year to $2,106. In 1934, there was an operating profit of $1,264, but after payment of $3,110 in dividends, a deficit of $1,846 was shown. At the end of 1935 profit and loss account had a credit balance of $7,254.

Arrears in preferred dividends, shown as a contingent liability, rose during the year from $6,220 to $7,775. Very little change is reflected in the balance sheet.

The auditor's report states that no provision has been made for losses from investments and that in several instances no interest is being received from mortgages. In these cases, rents have been seized to meet carrying charges and to apply on the interest due.

Shareholders' Position*

	1935	1934
	$	$
Rate earned, pref.	....	0.20
Divs. paid, pref.†	0.25	0.50
Net profits	‡551	1,264
Reserve	3,152	3,152
P. & L. surplus	7,254	9,361

*No earnings or dividends on common.
†Paid for 1933 and 1932 respectively.
‡Loss.

Ont. Loan & Debenture

Although net earnings of Ontario Loan & Debenture Co. in 1935 were $293,805, compared with $291,980 in 1934, heavier taxes brought net profits slightly lower. After all charges, however, including write-off of $10,000, on office premises, profit and loss balance was increased from $101,194 to $104,998.

Total assets are higher by $320,000 at $14,865,781, chiefly due to substantial increases in mortgages, real estate for sale and government securities. Accrued mortgage interest is shown in the balance sheet at the relatively small amount of $150,384, representing less than three months interest on the total of mortgage investments.

Net liabilities to the public increased by $308,850, a decline in debentures being more than offset by an increase in deposits.

Earnings Record

Year	Paid-up Capital & Reserves	Net Profits†	Div. Paid	Earned Per $50 sh.
	$	$	$	$
1930	5,200,000	290,558	6	7.76
1931	5,200,000	277,841	6	6.95
1932	5,200,000	267,386	6	6.68
1933	5,200,000	252,011	6	6.30
1934	4,400,000	256,980	6	6.42
1935	4,400,000	253,804	6	6.34

†After payment of provincial and municipal taxes, interest, expenses and charges, provision for possible losses and contingencies and income tax, but before deducting $10,000 written off office premises.

Creditors' Position

	1935	1934
	$	$
Debentures	7,664,927	7,859,954
Deposits	2,574,034	2,070,157
Total	10,238,961	9,930,111
Secured by:		
Liquid assets	4,019,161	3,933,604
Mortgages	10,164,810	10,063,705
Other net assets ...	621,809	448,394
Total	14,805,780	14,445,703

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Jump in '34 Wine Output Followed by Drop in '35

Of the 55 establishments producing wine in 1934 in Canada 48 were located in Ontario. These produced 90 per cent of the total output. Six establishments were in British Columbia's Okanagan Valley and one was in Manitoba.

Statistical tables on the industry just made available by the Dominion Bureau of Statistics show that 30 establishments with $4.4 millions capital invested and employing 246 in 1927 had increased at the end of 1934 to 55 plants with $8.1 millions invested and employing 557 people. The growth in Ontario alone during this period was from 26 to 48 establishments, from $4 to $7.4 millions invested capital, and from 227 to 517 employees.

Jumps and Slumps

Cost of materials in this period advanced from $1.5 to $1.8 millions and the gross value of products from $2.5 to $3.6 millions.

The years of highest gross production were 1929 with $5.5 millions and 1930 with $5.0 millions. There was a quick advance to this point from 1927 and there was as quick a decline in succeeding years until 1933 gross production total was only $2.6 millions. Information given by Canadian Wineries in a letter to shareholders states that in 1935 production of industry has dropped 30 per cent to date. The improvement in 1934 was 35 per cent.

Inventory value of 1.9 million gallons of wine produced during 1933 and placed in storage for maturing was $651,120. In 1934 the value was $1.2 millions for 3.7 million gallons produced and stored.

Fermented wine sold bottled or in bulk during 1933 amounted to 2.7 million gallons, with a selling value at the works of $3.2 millions. The prime cost of this wine is shown at $1.6 millions, leaving a net value of output of $2.6 millions, including maturing wines.

In 1934 there were sold, bottled or in bulk 3.3 million gallons with a selling value at the works of $3.9 millions. That made $5.2 millions in all, including wines maturing. The prime cost was $1.6 millions and the net value of 1934 production in the industry therefore was nearly $3.6 millions. Of this total more than $3.2 millions is shown for Ontario.

Grapes and Sugar Costs

Most of the $1.3 millions paid in 1933 and the $1.8 millions paid in 1934 for materials was spent in buying grapes and sugar. The industry bought 14.5 million pounds of domestic grapes in 1933 for $301,415 and 30.2 million pounds of grapes for $668,808 in 1934. It paid $297,275 for 6.4 million pounds of sugar in 1933 and $400,395 for 9.7 million pounds of sugar in 1934.

Grape spirits cost $104,253 for 46,939 gallons in 1935 but in the year of larger production—1934—the industry only bought 18,380 gallons for $35,011. At the same time it increased its purchases of loganberries.

In 1933 it used 205,222 pounds of loganberries and paid $10,928 for them. In 1934 it used 566,876 pounds and paid $33,388.

Grape and loganberry juice, tartaric, citric and salicylic acids, honey, blackberries, cherries and other fresh fruits and clarifying materials also entered into the purchases for the industry.

Bottles, jars, wooden and fibre cases, cooperage and packing required $584,000 in 1933 and $644,000 in 1934.

Of $8.1 millions capital value of the industry $3.1 millions represented land, buildings, fixtures and machinery, $1.8 millions inventories of raw materials and maturing stocks, $2 millions of finished materials and $1.2 millions cash and receivables.

Of 44 establishments doing a business under $50,000 in 1934 the average output was $18,604.

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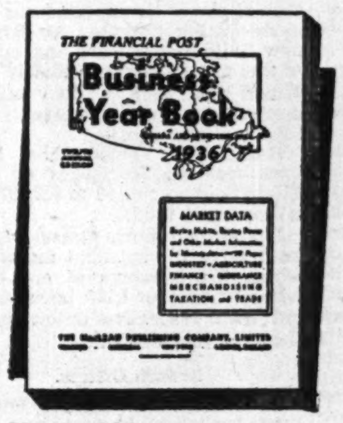

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DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 291

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the SECOND day of MARCH next, to Shareholders of record at close of business on 31st January, 1936.

By Order of the Board.

W. A. BOG — General Manager
JACKSON DODDS — General Manager

Montreal, 21st January, 1936.

The Canadian Bank of Commerce

Dividend No. 196

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 29th February, 1936, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd March next, to shareholders of record at the close of business on the 31st January, 1936. The Transfer Books will not be closed.

By Order of the Board,

S. H. LOGAN,
General Manager.

Toronto, 17th January, 1936.

BLUE RIBBON CORPORATION LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50) per share on the preferred shares of the Company has been declared payable on and after February 1st, 1936, to shareholders of record on January 28th, 1936.

DATED at TORONTO this 24th day of January, 1936.

J. C. JAMIESON, Secretary.

Lake of the Woods Milling Co. Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of $1.75 per Share on the Preferred Stock of the Company has been declared payable on March 2nd, 1936, to shareholders of record at the close of business on February 15th, 1936.

By Order of the Board,

D. A. MacINNES,
Secretary.

NOTICE

Auction Sale of Securities

Under and by virtue of the powers contained in a certain hypothecation and certain other agreements, all of which will be produced at the time of sale, there will be offered for sale by public auction on Monday, the 10th day of February, 1936, at the hour of ten o'clock in the forenoon at the premises of Ward Price, Limited, 111 King Street West, Toronto, by Walter Ward Price, Esquire, Auctioneer, the following securities in separate parcels or en bloc as the vendor may decide, and upon the conditions of sale which will be read at the time of sale:

10,000 Preferred Shares of the Capital Stock of Dominion Square Corporation, par value $100 per share, being all the authorized Preferred Shares of the Corporation.

49,992 Common Shares of the Capital Stock of Dominion Square Corporation, no par value, being all the authorized Common Shares of the Corporation except 8 shares.

$1,481,000 6½% General Mortgage Bonds, Class B, of Dominion Square Corporation, due May 1, 1945, with all coupons attached from and including December 1, 1929, excepting on $100,000 of such bonds to which coupons are attached from and including June 1, 1935.

TERMS: Cash or cheque satisfactory to the auctioneer at par in Toronto.

The Vendor will have the right to bid at this sale.

For further particulars and conditions of sale apply to:

Mulock, Milliken, Clark & Redman,
711 Dominion Bank Building,
Toronto,
Solicitor for the Vendor.

Dated at Toronto, Ontario, this 10th day of January, A.D., 1936.

The Financial Post BUSINESS YEAR BOOK for 1936 contains the answer to the sales manager's prayer — 70 pages presenting a complete analysis of the buying power and other economic aspects of the Canadian market by communities. This information has never before been available.

The Mutual Life of Canada

In the year following Confederation the Ontario Legislature passed a special act incorporating "The Ontario Mutual Life Assurance Company," the charter being granted if 500 prospective policyholders would take out policies of $1,000 each. The Company was organized in 1869 and started business in 1870. Eight years later a Dominion Charter was secured.

In 1900 the present name was adopted as more fitting for this policyholders' Company, which now has forty-two Branch Offices and carries over five hundred and twenty millions of insurance.

Advertising of this company appears in—

Maclean's
Canada's National Magazine

◆

Week In Wheat

Light Trading Interest

* * * *

U. S. May Export Grain Again

* * * *

WINNIPEG—Holiday conditions, so far as trading is concerned, caused a spotty market on the Winnipeg Grain Exchange this week, and prior to the closing of the exchange in observance of the king's funeral, transactions were in light volume. Export trade amounted to only 300,000 bushels on Saturday, and subsequent trade has shown no important improvement.

Bullish influences are seen in the news from Europe regarding seeding, and crop damage, and these may have a strengthening effect on the price structure.

Meanwhile, the policy of the Grain Board, in selling at prices which appear more in line with actual export demand, is regarded as a hopeful factor which can, conceivably, bring about a sharp increase in export volume.

Observers also believe that such a policy, aimed at reducing supplies as quickly as possible, will be strengthened by the possibility of the U. S. again entering the export market in the event of a good wheat harvest this season.

Europe Is Not Buying

AFTER completing an extensive tour of the wheat growing and wheat consuming countries of Europe, E. Cora Hind, Canadian agricultural authority, confesses herself frankly disappointed over the outlook for increased Canadian wheat shipments to Europe.

Writing in the current issue of Northwestern Miller, Miss Hind points out that not only are the producing countries maintaining present high acreages, but they are keenly interested in improving the quality of their wheat as well.

In Roumania, Hungary and other south-eastern European cereal producers, scientists are working steadily on the production of new varieties of wheat, and varieties containing more protein. In the consuming countries, Miss Hind found not a great deal of interest except for job lots at bargain prices.

"Germany is an entirely closed shop," she writes regarding one of the principal pre-war European importers, "and the leading grain firms assure me that unless Canada is prepared to make purchases of ships and such-like things, there will be nothing doing in the matter of wheat."

No wheat or flour can be bought in except under direct government license or permit; and these it is practically impossible to secure.

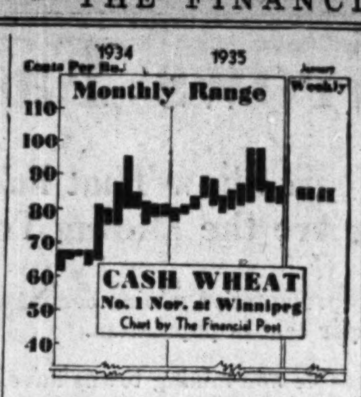
Discussions with German government officials were very convincing to the effect that as far as possible they would make Germany self-sufficient in the matter of imports of wheat and flour. Germany is very short of fat, both vegetable and animal, but Miss Hind found very little possibility of that country being short of wheat.

* * *

Foreign Flour Enters

ALTHOUGH the Canadian-U.S. tariff agreement makes no mention of wheat and flour, the Canadian intermediate tariff schedule provides for a duty of twelve cents a bushel on wheat and fifty cents a barrel on flour entering Canada. These rates automatically apply to U.S. shipments to the Dominion, although no change has been made in either of the corresponding U. S. tariff rates.

Canadian millers and flour buyers are becoming increasingly aware of the result. Already, it is reported, U.S. soft winter wheat flour has been sent from the State of Washington to Vancouver for Canadian consumption, and according to close students of the wheat and flour situation, it is probable that the shipments will continue.



Before the Bennett tariff was inaugurated, the U.S. supplied the bulk of soft wheat flour used in British Columbia. Following imposition of the Bennett tariffs, Australia, and later England, began to ship soft winter wheat to Vancouver. The result was that nearly all the pastry flour business in British Columbia and Alberta has come to use Australian and English sources of supply.

Observers believe that it is now possible that some of the special grades of U.S. pastry flour will be able to compete for Ontario and eastern Canadian business. Success of these efforts will depend, of course, upon the price level at which American soft wheat settles with the processing tax removed.

Some quarters also believe that it may be possible for Canadian mills to import United States soft wheat for grinding in the event of short crops in Ontario causing high prices for the native product.

* * *

U. S. Tariff Remains

AT ONE time, the low duties on both sides of the border made it possible for export wheat and flour trade to be done by both countries, but actual volume of such business was never large.

Nevertheless, introduction of the Fordney tariff in the United States in 1921 and subsequent increases in wheat and flour tariffs in 1924 brought the rates for wheat entering the United States to 42 cents a bushel and to $1.04 per hundred pounds of flour.

Although the United States now enjoys the benefit of an easier access to the Canadian market, the Fordney tariff rates and subsequent increases are still in effect so far as wheat and flour entering the United States are concerned.

World Trade in Wheat Rises with Peace Hopes

Volume Likely to Show Expansion, But Trend Is Dependent on European Political Harmony — Theory of Over-production Denied

For the ten-year period ending July 31, 1933, the average annual volume of international trade in wheat was 750 million bushels. For the succeeding three years, including the present crop year the average will not exceed 550 million bushels.

There are good reasons for believing that the shrinkage will not continue further, and that any change in the near future will be in the direction of increase, according to a year-end survey by United Grain Growers, Ltd.

The future prospects of international wheat trade are bound up with the political and economic structure of the world. The wheat trade is only one part of general international trade, and depends upon trade in other commodities. Expansion from present levels will require a greater freedom of trade in commodities and services generally between different countries than has been possible during recent years.

The growth of economic nationalism during the past few years has been harmful to international trade generally, and to the wheat trade in particular. The hope of producers who, like the wheat growers of western Canada, are primarily engaged in production for international trade, must be in the reversal of that tendency and to some extent at least reversal has begun.

Peaceful Europe

More specifically, the hope of wheat growers must be for a prosperous and peaceful Europe, which, in turn, is dependent not only on freedom from wars but also from fear of wars.

The greater the prosperity of various European countries the greater their need for imports of wheat and their ability to pay for them.

And greater prosperity would also allow them to divert to other uses land, capital and energy now devoted to high cost wheat production, and capable of giving a more useful return if applied to other needs.

No Over-production

The idea that there has been any general over-production of food stuffs in relation to the consuming capacity of the world cannot be maintained. Instead, study by experts has revealed that the world could reasonably use a great deal more in the way of food than it has had.

Millions of the world population, including large numbers in wheat-consuming countries, have been getting less than an adequate diet.

Fewer Sources of Supply

If the international wheat market is smaller than a few years ago, it also has fewer sources of supply. Russia, India and the United States, three countries which formerly supplied more than half of the wheat in international trade, are now either out of the international market, in it to only an unimportant extent, or actually importing wheat.

The countries of the Danubian basin, although they still export some wheat, are unlikely to resume their former place as suppliers of wheat to other countries because of the increasing needs of their own populations. The decline in Australian wheat acreage seems likely to be permanent, and also some decline in Argentine wheat acreage from the highest levels reached.

Competition Remains

Nevertheless, the international market remains a highly competitive one, and although Canada, Australia and the Argentine remain the principal competitors, competition must be recognized not only from other countries, but from other grains, both for bread stuffs and feeding purposes, and from other foods than bread.

Wheat Prices

(Cash Quotations)

	For week Jan. 27 High $	Low $	Prev. week High $	Low $
At Winnipeg:				
1 Man. Hard	.86⅛	.85⅝	.86¼	.85¼
1 Northern	.84⅞	.84½	.85⅛	.84⅛
2 Northern	.82⅞	.82½	.83⅛	.81¾
3 Northern	.78⅞	.78½	.79¼	.78
4 Northern	.76⅛	.75⅝	.76⅛	.75¼
5 Wheat	.67⅞	.67⅝	.68¼	.67
6 Wheat	.59⅜	.58⅞	.59¾	.58½
Feed Wheat	.49⅜	.49⅛	.50	.49
Vancouver: Week to Jan. 24:				
1 Northern	.87½	.86⅝	.87¼	.86½

Competitive Export Prices:
(January) shipment:

	High Week to Jan. 24 $	Low $
No. 1 North. (Vanc.)	1.06¾	1.05¾
No. 2 North. (Atlan.)	1.01¼	1.00½
No. 2 North. (Vanc.)	1.04¼	1.03⅜
Argentine Rosafe*	unquoted	
Do., Barusso*	unquoted	
Australian	0.99¾	0.99
Australian (March)	0.97½	0.96¾
French	0.85	0.83½

*New crop, shipment Jan.-Feb.

Winnipeg Grain Prices

Week to Jan. 27, 1936

Crop year from Aug. 1, 1935 High	Low		Open Jan. 22	High for week	Low for week	Close Jan. 27
		Wheat				
1.02¼	.85⅜	May	.88⅛	.88¼	.87½	.87⅞
.92⅞	.86½	July	.88⅝	.88⅞	.88⅛	.88⅜
.89	.86⅝	Oct.	.87⅜	.87⅝	.86¾	.87⅛
		Oats				
.35⅜	.29⅜	May	.32½	.32⅝	.32¼	.32½
.33⅜	.30	July	.32⅝	.32⅝	.32⅛	.32¼
		Barley				
.42½	.34⅝	May	.37⅞	.38⅛	.37⅝	.37⅞
.40	.35⅝	July	.....	.38¾	.38¼	.38½
		Flax				
1.65	1.33	May	1.62	1.62¼	1.58	1.59¼
1.63	1.40¼	July	1.58½	1.58½	1.55	1.57⅜
		Rye				
.51⅛	.41¼	May	.45¾	.46¾	.45	.45½
.48½	.43⅛	July	.46¾	.46⅞	.45¾	.46

Company Earnings Reports

Honey Dew Ltd.

Honey Dew's net profit for the first ten months of 1935 is reported at $462, the first profit shown since 1931. In 1934 the net loss was $18,858 for the whole year.

Sales in the ten months of 1935 at $824,799 compare with $1 million in all of 1934. Gross profits were $34,846 but depreciation took $27,037, income tax $1,114 and interest on purchase of United States rights $6,232.

There is a working capital deficit of $16,130, current assets being $47,270 and current liabilities $63,400. The excess was $31,631 at the end of 1934. In the meantime bank debts have been liquidated.

Montreal Power

Montreal Light, Heat and Power's financial statement for 1935 is in line with expectations. Gross revenues totalled $24.1 millions as against nearly $24.3 millions in 1934. A feature of the report this year is a breakdown of revenue, which shows that $21.1 millions of income came from operations and $2.9 millions from investments. Particulars of the income are shown elsewhere in this issue. It is not possible to make comparisons with 1934, but in the report of the president to the shareholders, it is stated that the lower domestic rate adversely affected income by upward of $400,000.

Lower Funded Debt

During the year Montreal Power reduced its commitments in respect to the underwriting of the first mortgage bonds of Beauharnois Light, Heat and Power Co. from $7,122,000 to $5,187,000.

The balance sheet shows that in 1935 the company retired $15.2 millions of mortgage debt, made up of $11,885,000 of the company's own bonds; $2,968,000 of Montreal Public Service Corp. bonds; $306,000 of Cedar Rapids Manufacturing and Power bonds, and $51,000 of Provincial Light, Heat and Power bonds.

The premium and foreign exchange in connection with these retirements was charged to surplus account. The cost, as shown by variations in the surplus account, was $804,435.

Investments Lower

In order to effect these retirements several changes are noted in the company's investments. Holdings of Dominion and provincial government and Quebec municipal bonds dropped from $19.3 millions to $10.3 millions. Cash on hand declined about $500,000, while there was a slight decline in the general investment account.

Particulars of the profit and loss account follow:

Income and Surplus Account
Year Ended Dec. 31

	1935 $	1934 $
Gross earnings	24,100,510	24,273,719
Less: Oper. expenses	8,159,767	8,136,688
Taxes	2,315,963	2,065,659
Depreciation	2,410,051	2,427,372
Fixed charges	3,372,407	3,658,783
Net income	7,842,322	7,985,217
Less: Dividends	6,733,771	6,733,771
Balance	1,108,551	1,251,446
Less: Pension fund	20,000	20,000
Extra deprec.	750,000	750,000
Surplus for year	338,551	481,446

Belding-Corticelli

Belding Corticelli's financial statement for the year ended November 30, 1935, shows a further increase in earning power and marked changes in the financial position brought about by the retirement of the balance of the company's 5 per cent mortgage debentures. Earnings on the common stock were equal to $5.57 a share, as against $5.04 in 1934 and $4.68 in 1933.

All of the company's 5 per cent mortgage debentures were retired during the year and as a result the balance of the credit to sinking fund reserve was used to write down goodwill from $500,000 to $1, the remainder being transferred to employees' insurance account and depreciation reserve. The insurance reserve advanced during the year from $51,350 to $130,107.

Particulars of the profit and loss account for the past two years follow:

Income and Surplus Account
Years Ended Nov. 30

	1935 $	1934 $
Operating income	320,731	......
Less: Legal fees	2,794	......
Executive remun.	29,010	......
Gross income	298,927	267,156
Other income	32,232	19,599
Total income	331,159	286,755
Less: Bond interest	3,155	36,980
Depreciation	147,898	132,827
Income tax	30,000	9,500
Adver. reserve	21,586	......
Emp. ins. reserve	10,000	......
Directors' fees	6,180	9,085
Net profits	102,340	98,363
Less: Preferred divds.	60,571	60,571
Common divds.	29,980	29,980
Surplus	11,789	7,812
Brought forward	483,404	475,592
Carried forward	495,193	483,404

Paton Mfg.

Net earnings of the Paton Manufacturing Co., of Montreal and Sherbrooke, for the fiscal year ended April 30, 1935, totalled $40,160 before taxes and interest, but after providing for depreciation. This is the smallest amount reported in the last ten years and compares with $95,978, on the same basis, in 1934. Earnings during the past fiscal year were adversely affected by the severe decline in the world price for wool which temporarily disturbed trade. Net earnings for the first six months of the current year available for interest, income and profit taxes, after providing for depreciation, were $53,134, and it is estimated that for the full fiscal year they will approximate $100,000.

The pro forma balance sheet of the company, dated October 31, 1935, and taking into account the current refunding financing, shows total assets just short of $2 millions. Current assets amount to $774,726, as against current liabilities of only $84,700. Property is carried on the books at $1 million and investment in and advances to subsidiaries $128,336. Capitalization consists of $700,000 of 4½ per cent mortgage bonds, $600,000 of 7 per cent cumulative preferred stock and 10,000 shares of no par value common.

Windsor Hotel

Windsor Hotel's financial statement for 1934 shows a slight improvement in net earnings, and after making provision for bond interest and depreciation, the profit and loss account shows a deficit of $178,485 compared with $189,679 for 1934.

In order to safeguard the company's working capital, interest on the funded debt was deferred during the year, likewise the sinking fund requirements on both the first mortgage and refunding mortgage bonds.

The balance sheet shows that during the year bank loans were reduced by $60,000 to $90,000. There is no change in the funded debt position. The net working capital is shown on the books at $215,528, but if consideration is given to the market value of investments which are carried at $479,144, there is a deficit of working capital account of $65,549.

Income and Surplus Account
Year Ended Dec. 31

	1935 $	1934 $
Net earnings	112,697	101,503
Deduct:		
Bond interest	191,183	191,183
Depreciation	100,000	100,000
Net loss	178,485	189,679
Surplus	†178,485	†189,679
Previous surplus	†188,594	1,084
Profit and loss bal.	†367,079	†188,594

†Deficit.

Canada Foundries

Canada Foundries and Forgings' earning power recorded an increase during 1935 as compared with 1934, but the balance sheet reflects a weakening in net working capital position. Net operating income at $41,742 compared with $21,795 a year ago. After taking care of all senior charges, there was a net profit available for dividends of $16,458, as against a deficit of $5,208 in 1934.

The balance sheet shows net working capital at the end of 1935 totalling $270,794, or a decline of roughly $174,000 during the year. Bank loans increased from $71,688 to $106,817. Inventories declined about $65,000 to $313,211, reflecting in part the setting up of a reserve of $34,000 for slow selling lines on hand. During the year the funded debt of the company was reduced from $120,300 to $99,300.

Income and Surplus Account
Years Ended Dec. 31

	1935 $	1934 $
Operating profit	57,450	......
Less: Legal fees	849	......
Directors' exps.	379	......
Executive remun.	14,500	......
Net oper. income	41,742	21,795
Investment income	133	280
Total income	41,875	22,075
Less: Deprec.	17,589	18,638
Tax provision	1,000	1,330
Bond interest	6,828	7,315
Net profit	16,458	*5,208
Previous surplus	75,874	82,357
Less: Reserve for stock	34,000	......
Taxes	1,065	1,276
Bond premium	635	......
Carried forward	40,173	75,874

*Deficit.

Minneapolis, St. Paul & Sault Ste. Marie Ry.

Minneapolis, St. Paul & Sault Ste. Marie Railway Co. reports an increase in deficits in 1935 while its subsidiary, Wisconsin Central Railway Co. made a slightly better showing.

In the case of Minneapolis, St. Paul and Sault Ste. Marie Railway Co., operating revenues were higher by $450,000 while other income was down $130,000. Operating expenses, taxes and interest on funded debt, however, increased sufficiently to increase the net deficit by $150,000.

Operating results of both companies for 1935 are as follows:

Minneapolis, St. Paul & Sault Railway
Years Ended Dec. 31

	1935 $	1934 $
Oper. revenue	13,369,370	12,615,805
Less: Oper. expenses	11,487,445	10,758,355
Net oper. revenue	1,881,925	1,857,450
Less: Taxes & uncoll. rev.	854,835	809,607
Net after taxes	1,027,090	1,047,842
Add: Other inc. (net)	†651,685	†782,503
Gross income	375,405	265,339
Less fixed charges:		
Hire of equipment	4,894	*39,665
Rental of terminals	196,814	205,908
Int. on funded debt	5,398,044	5,177,639
Net deficit	5,224,347	5,078,543

*Credit. †Debit.

Wisconsin Central Railway
Years Ended Dec. 31

	1935 $	1934 $
Oper. revenue	10,375,853	9,755,777
Less: Oper. expenses	7,952,354	7,445,252
Net oper. revenue	2,423,499	2,310,525
Less: Taxes & uncoll. rev.	854,835	809,608
Net after taxes	1,999,450	1,724,597
Less: Non-op. income (net)	412,522	346,989
Net before charges	1,586,928	1,377,608
Less fixed charges:		
Hire of equipment	863,858	816,176
Rental of terminals	482,071	546,094
Int. on funded debt	1,889,667	1,871,327
Net deficit	1,648,668	1,855,989

Jamaica Public Service

Consolidated gross earnings of Jamaica Public Service during 1935 totalled $859,379 as against $825,751 during the previous twelve months. After making provision for all charges, including dividends on the preference and common stock, the earned surplus was increased from $257,140 to $298,387.

The balance sheet as at December 31 last reflects the changes brought about by the refunding of the company's bonded debt. The old 5 per cent issue, amounting to $1,940,000 was retired during the year and replaced with a new 4½ per cent issue amounting to $2,044,000. At the same time notes payable by the company were reduced from $252,731 to $78. Current assets held by the company generally show an increase, while it is noted that among miscellaneous investments the company now has acquired 1,810 shares of the 7 per cent B preference stock.

Details of the profit and loss accounts for the past three years follow:

Income and Surplus Account
Years Ended Dec. 31

	1935 $	1934 $
Gross earnings	859,397	829,751
Expenses and taxes	508,823	493,816
Net revenue	350,574	335,935
Less: Interest	102,936	108,865
Retirement res.	90,000	90,000
Direct debits	5,899	*21,441
Balance	151,739	158,511
Less: Preference divds.	31,922	35,784
B dividends	22,320	22,520
Common divds.	56,250	45,000
Surplus	41,247	55,207
Brought forward	257,140	201,933
Carried forward	298,387	257,140

*Credit.

Bank of Canada

Profits of the Bank of Canada from March 11, the date of the opening to Dec. 31, 1935, were $764,228, after making provision for contingencies and for reserves.

Total dividends of $239,000 were paid on the $5,000,000 of stock. This is at the rate of 4½ per cent, but amounts to more than a full year's dividend because payment was made on the shares from the date of initial subscription. The first dividend paid July 2, 1935, was on $12.50 a share from Sept. 21, 1934, and on the balance of $37.50 a share from Jan. 2, 1935. The rate of dividend is limited to 4½ per cent, cumulative, by the Bank of Canada Act.

According to statute, one-third of the surplus earnings for the year were appropriated for the bank's rest fund, the capital reserve. Then the remaining two-thirds is for credit to the consolidated revenue fund of the Dominion Government.

Profit and Loss Account
March 11 to Dec. 31, 1935

	$
Profits, after conting., reserves	764,228
Less: Contrib. for pensions	5,952
Dividends paid	239,000
Surplus for period	519,276
Appropriated: For bank's rest fd.	173,092
For government revenue fund.	346,184

Lake St. John P. & P. Co.

Lake St. John Power & Paper Co. operating profits for 1935 show a material increase over 1934 just as 1934 results showed a healthy gain over 1933. Net income covered first mortgage bond interest after depreciation in 1933 and in the previous two years profits had been inadequate.

There was a loss of $271,984, however, when debenture interest of $183,430 and interest on arrears of $100,838 were paid. Bank loans of $148,481 were entirely paid off. This released all prior lien bonds pledged with the bank as collateral.

Output was at 88.1 per cent of capacity. Shipments improved materially in latter part of year. This led to a decision for another interest payment of $153,108 on February 1, 1936. Further payments will be determined by course of newsprint sales.

Working capital is greatly improved. Cash and receivables and inventory are up. Bond and debenture interest due increased in 1935 from $1.5 millions to nearly $2 millions.

Profit and Loss Account
Years Ended Dec. 31

	1935 $	1934 $
Oper. profit*	537,578	405,823
Depreciation	219,079	210,370
Net income	318,499	195,453
Bond int.	306,215	306,215
Debent. int.	183,430	183,430
Int. on arrears	100,838	72,873
Loss for year	271,984	367,063
Adjust.	195	147,363
	271,789	219,677
Prev. deficit	993,534	773,856
P. & L. deficit	1,265,323	993,534

*After depletion.

Working Capital

	1935	1934
Current assets	1,405,306	1,248,450
Current liabs.	96,641	274,486
Working capital	1,308,665	973,964
Ratio	14½—1	4½—1

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Week In Mining

Market War Horse

* * * *

De-listing and Publicity

Like an old war horse, "raring to go" at the slightest smell of gunpowder, the mining market, led by gold shares, strains at the bit whenever the financial breeze brings the faintest whiff of inflation.

Fortunately, perhaps, the spirited action which the market has displayed in recent weeks has felt the steady curb of profit-taking, with a firm, buoyant market resulting.

Whether the inflationary odor which has had such a revivifying effect on the market presages real action, or whether it originates from what small boys call a "squib," still remains to be seen. The evidence, however, strongly favors the view that it will be some time before whatever-is-to-happen-to-gold prices, actually happens. With the U. S. President's veto of the soldier's bonus plan overridden by both congress and Senate, with currency stabilization still an evanescent ideal, and, finally, with strong forces working across the border for $41 per ounce gold, it can at least be said that the accoutrements for action are there. The unanswerable question is whether or not the financial war horse is mistaking the accoutrements of war for war.

De-Listing

SOME complaints have been heard recently, chiefly from officals of the companies affected, regarding the action of the Toronto Stock Exchange in de-listing mining concerns with no publicly announced reason.

In the case of two such companies recently removed from trading, the public was left entirely in the dark as to the motive. Officials of the companies, when questioned, expressed complete ignorance and righteous indignation. They did not know themselves, they said. The action of the exchange was termed "arbitrary, high-handed and unfair."

On the surface, it might appear that there were some grounds for this resentment. Under the surface, however, are equally sound reasons for approving the action of the Exchange officials.

Discussing the matter with an exchange official recently, The Post was able to see some of these reasons. In the case of one company the exchange was motivated by certain financial arrangements which directors had made, and about which the Exchange had reasons to be dubious. Another company was utilising the fact that its shares were listed in Toronto to sell stock by doubtful methods.

* * *

Shareholders Not All-Powerful

IT MIGHT be argued that both these matters should be dealt with by shareholders. But directors still have wide powers, and it is possible that, by the time shareholders became aware of what was going on, it would be too late.

In declining to make public the reasons for their action in de-listing these stocks, the Exchange was motivated by a desire to protect the interests of shareholders. In publishing their reasons, it was felt, the Exchange would be branding the company, and might permanently jeopardize its chances of raising money by legitimate means.

In claiming complete ignorance of the reason for de-listing, officials of the companies concerned were, apparently, merely striking a pose, inasmuch as they, or their representatives had appeared before the committee of the exchange, and had been told, personally, the reason for the committee's decision to de-list the company's stock.

In keeping the public uninformed, the Exchange was bestowing a doubtful and certainly unwanted, blessing. With the human mind what it is, absence of any reasons always gives rise to wild conjectures, and probably does the company as much harm, if not more, than a frank statement as to what was wrong.

Publicity is a drastic, but effective check on misdemeanor. By declining to make public the alleged misdemeanors, the Exchange only enables company officials to strike an injured innocence pose.

From the shareholders' point of view, and this is the point of view which matters most, after all, full publication of the facts, after due warning, is undoubtedly the wisest course.

* * *

Noah Timmins Dies

IN THE death of Noah Timmins Canadian mining has lost not only a link with its early days, but a strong force in current mining affairs.

Noah Timmins was only 69 at the time of his death in Florida. The story of his career is well known to most Canadians, being, as it was, closely linked with the growth of the mining industry. Born in Mattawa, on the Ottawa River, Mr. Timmins first became interested in mining when, as a young merchant, he caught the fever of the early Cobalt days and bought an interest in the famed LaRose find, one of the original discoveries in the Cobalt camp. In the growth of the Porcupine producer, Hollinger Consolidated, he was associated with his brother, the McMartin brothers, and David Dunlap, all of whom have played major rôles in the development of the industry.

Noah Timmins, in addition to being noted for the outstanding success which has attended his developments, was also outstanding for the broad field of his activities. As president of Hollinger, and N. A. Timmins Corp., he was instrumental in financing many younger developments across Canada.

* * *

Index to Mining Stocks

THE weighted price index of twenty-three mining issues reached 143.3 for the week of January 23, the same as that recorded for the week of September 6, 1934, which was the highest level attained since 1928. For the week of January 24, 1935, this index was 124.3.

Twenty golds moved higher, the index mounting from 124.0 for the week of January 16 to 125.7 for the week of January 23. The index for the comparable week last year was 123.0.

Base metals moved another step forward, the index advancing from 211.8 for the week of January 16 to 215.6 for this week. This index was 133.0 for the corresponding period in 1935.

NOVA SCOTIA GOLD TO KEEP FINANCING INTERNAL MATTER

Shareholders Vote Down Plan to Sell Assets

Shareholders of Nova Scotia Gold Mines at a meeting held in Toronto recently voted down the proposal whereby Enca Exploration and Development Co., a combination of English and Canadian capital, would purchase the company's assets and complete development of the company's Tangier property.

Shareholders expressed the view that the advanced stage to which the company had carried its development programme and the closeness of the Tangier property to production warranted the raising of capital among shareholders.

Officials state that a substantial proportion of the comparatively small amount of additional capital required has already been subscribed, and plans are under way to complete additional finances so as to maintain the company in its present hands.

Officers and directors were re-elected for the ensuing year.

Will Not Go Into Debt Even to Build School

From Our Own Correspondent

REGINA.—Readlyn, Sask., refuses to go into debt. With school accommodation overcrowded, ratepayers have backed the efforts of the school board to maintain the sound position of the municipality by accepting the offer of the United Church of its building to accommodate the overflow of school pupils.

Two meetings of ratepayers were held at which the subject was threshed out and the cost of adding a room to the present school analyzed. The result was a decision not to burden the municipality with the expense of building an addition to the school.

Macassa Mines Opening Up Ore At 2,950 Level

Macassa Mines, westerly producer in the Kirkland Lake break, has opened up 650 ft. of ore on the 2,950-ft. level, of which 450 ft. is in porphyry ore. Average width of this new ore body is greater than mine average, with grade also higher.

Indications are that a considerably greater length of ore is on this level, with the syenite ores from which most of the mine's resources have previously been secured, only recently entered.

Sub Levels

The company now plans to explore further both above and below with a sub-level to be established between the 2,950 ft. and the 2,675-ft. levels. A winze is to be sunk an additional 3,000 ft. below the present bottom level, making the depth of the mine 6,000 ft.

It is expected that work will start on this winze some time early in June.

New Brunswick Deficit Higher; Revenues Jump

Despite an unexpected increase of $560,831 in revenues, New Brunswick reports a deficit of $703,116 for the year ended Oct. 31, 1935. This is the sixth consecutive deficit in current account reported by the province and exceeds the budget estimate by $213,913.

Expenditures were considerably in excess of the budget estimate. Except for this increase a surplus of $71,628 would have been shown.

Total receipts were $6,342,491 as compared with estimated receipts of $5,781,660. Revenue in the 1934 fiscal year was $5,436,508.

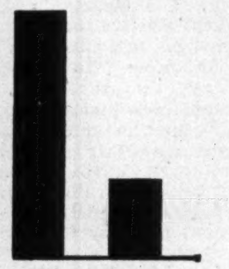
Income and Expenditure
Years Ended Oct. 31

	1935 $	1934 $
Revenue	6,342,491	5,436,503
Expenditures	7,045,607	6,313,060
Deficit	703,116	876,557

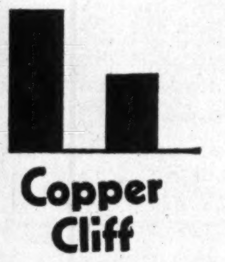
Where Canada Grows Fastest

Records of Past 15 Years Show That Fastest Growing Communities Are the Mining Towns

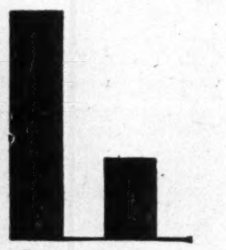
Noranda
Population
1921-700
1935-4,000



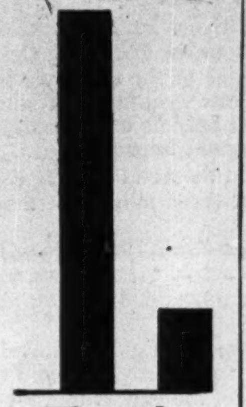
Amos
1921-1,400
1935-3,000



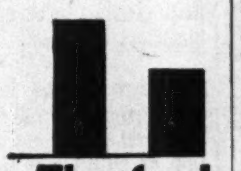
Copper Cliff
1921-2,600
1935-4,000



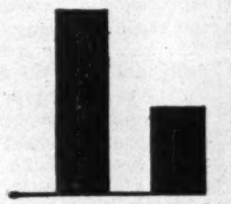
Sudbury
1921-8,600
1935-19,700



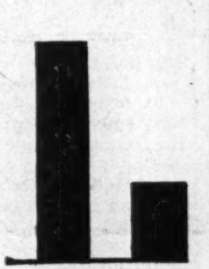
Timmins
Population
1921-3,800
1935-17,000



Thetford Mines
1921-7,800
1935-10,400



Rossland
1921-2,100
1935-3,000



Trail
1921-3,000
1935-8,000

During the past 15 years, eight representative mining communities have shown an average increase of 156 per cent in population.

In the same period, eight comparable non-mining towns have shown an average population increase of only 18 per cent.

The amazing growth registered by the mining communities, and reflected in these figures is no evanescent, unstable force. The eight communities selected to strike this average are all modern towns, of over 3,000 population, or full-fledged cities, of over 10,000 population.

They are distributed across Canada, not centred in any one section.

If such communities as Geraldton, Jellicoe, Hudson, Bisset, Flin Flon, Goldfields, Rouyn, and a dozen others which have, in the past few years, sprung into vigorous existence, were included, the percentage would undoubtedly be much higher.

Anyone who has visited these bustling mining communities is aware that they represent a wide advance over the old-time frame communities of Canada's pioneer mining days. Here are modern structures of steel and cement, with assessed values fully as high as those in the more densely populated areas of Canada.

Permanence Apparent

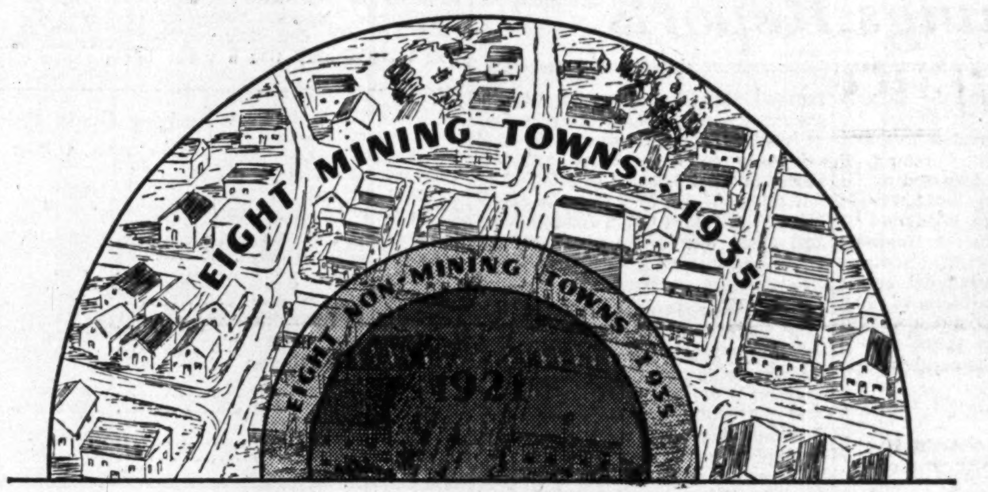
Modern homes, hotels, stores, banks, and schools have been built, up-to-the-minute drainage and sewage disposal plants installed, and a note of permanence made evident.

During years when more southerly communities are striving hard to balance their budgets, or defaulting on their bonds, these mining communities are actually enjoying healthy prosperity.

Apart from those actually employed in the mines, there are bankers, merchants, teachers, and professional men, many hundreds of them, earning a livelihood in these centres, contributing their quota of purchasing power to the nation.

Every Canadian, consciously, or unconsciously, is feeling the stimulus of these thriving little cities, towns, and villages of the north.

This is one of a series of articles on the significance of mining in Canada. They have been prepared by the editors of The Financial Post as a timely news feature.



Higher Costs Cut Earnings Of Hollinger

Dollar Per Share Profit is Seen for Year 1935

TAXES JUMP

A net profit of $4,922,929, before surplus adjustment, is shown by Hollinger Consolidated Gold Mines, in a preliminary operating statement for the year ended Dec. 31, 1935. On the basis of $4,920,000 shares outstanding, these earnings work out to approximately $1 per share, compared with earnings of $1.21 for the previous year.

While revenue from bullion production and non-operating revenue increased substantially during the year, this increase was more than offset by increased operating costs, reserves for depreciation, and expenditures on optioned properties.

Taxes for the year, at $856,088, which does not include bullion tax, amounted to 10.24 per cent of the gross production.

Recovery for the year is estimated at $7.69 per ton, compared with $7.69 per ton in 1934.

Expenses Mount

Mining, milling and general charges for 1935 totalled $7,952,482, against $7,430,019 for the preceding year; silicosis assessment jumped to $130,779 from $35,257; taxes, other than bullion, advanced to $856,088 from $653,626, and workmen's compensation at $141,923 is shown, while this latter item is not revealed in the previous annual report. After the above deductions, net profit before depreciation amounts to $5,297,929, against $6,058,359 a year ago. After deducting reserve for depreciation and expenditures on optioned properties of $375,000, compared with $65,914 for 1934, net profit is shown at $4,922,929 and $5,992,444 for the two years respectively.

Hudson-Patricia Closes Contract For New Mill

Directors of Hudson-Patricia Gold Mines have accepted plans for a mill as designed by Shoemaker and Burnham of Toronto. Delivery of the mill has been guaranteed for the end of February by the firm of Allis-Chalmers, to whom the contract has been awarded and the initial payment made.

Hudson-Patricia is developing a property in the Patricia district of Ontario.

Mining Reports

Howe Sound Co.

Based on the four quarterly statements issued during the fiscal year ended Dec. 31, 1935, per share earnings of Howe Sound Co., the British Columbia holding company, should approximate $4.95 per share in 1935, as compared with $3.57 per share in 1934.

The regular report for the fourth quarter of 1935 shows a material increase in the company's net surplus, at $745,996 compared with $684,138 in the previous quarter.

Sales from the company's producing subsidiaries show increases all along the line in the fourth quarter, zinc and lead recording the greatest percentage increase. As a result, the value of metals sold totalled $3,442,816 in the quarter, compared with $2,913,715 in the third quarter of the year.

The quarterly statement follows:

Quarterly Statement

	4th qu. 1935 $	3rd qu. 1934 $
Val. of metals sold	3,442,815	2,913,715
Operating costs	2,815,734	2,345,912
Operating profit	627,081	567,803
Add: Misc. income	188,276	182,755
Total income	815,357	750,558
Less: Depreciation	69,361	66,420
Net profit	745,996	684,138

Based on the four quarterly reports, the income account for the year should be approximately as follows, in comparison with the 1934 income account:

Est. Income Account
For Years Ended Dec. 31

	1935 $	1934 $
Val. of metals sold	11,618,339	9,591,199
Operating costs	9,687,707	8,067,032
Operating profit	1,930,632	1,524,167
Add: Misc. income	676,308	506,674
Total income	2,606,940	2,030,841
Less: Depreciation	265,215	339,698
Net profit	2,341,725	1,691,143
Est. Earns. per Share*	$4.94	$3.57

*Based on 473,791 shares outstanding.

Okalta Oils

Working capital of $11,318 as at Dec. 31, 1935, compared with $49,415 at the end of 1934, is shown in the annual financial statement of Okalta Oils Ltd. investment and holding company.

Current assets, comprising cash of $4,535, preference share redemption fund, $12,530, accounts receivable, $261 and supplies $6,686, total $24,023, while current liabilities amount to $12,705.

In the investment account, the company's purchase of stock in Antler (Cariboo) Gold Mines is shown to total 11,744 six per cent cumulative preference shares, and 58,720 common shares. The company also holds $25,000 Canadian National Railway bonds and $15,000 Dominion of Canada bonds. As at Dec. 31, 1935, the approximate market value of these bonds totalled $42,981. The Royalite stock which the company held in 1934 has presumably been sold.

The company's revenue account shows a loss for the year of $6,355, as follows:

Revenue Account
Year Ended Dec. 31, 1935

Interest earned	$2,960
Royalite dividends	1,500
Sundry income	523
Transfer fees	33
Gross income	5,016
Less: Field expens.	4,738
Office expens.	2,316
Corp. taxes, etc.	288
Legal expens.	1,875
Gen. expens.	653
Directors' fees	1,500
Loss for year	$6,355

Antler (Cariboo) Gold

Working capital of $3,208 is revealed in the balance sheet of Antler (Cariboo) Gold Mines, British Columbia placer prospect, as at Dec. 31, 1935.

Current assets, consisting entirely of cash in the bank, total $3,503, current liabilities, comprising accounts payable, total $295.

The company has, The Post learns, installed a dragline and gold separating plant which will start operation in the spring, probably about May 1. It will have a capacity to dig, wash and separate the gold from about 300 cubic yards of gravel per hour. Officials state that gold values in the gravel range from 50 cents to $44 per cubic yard.

EASTERN INTERESTS MAY GAIN CONTROL DIANA GOLD MINES

Negotiations Under Way With Toronto Group

From Our Own Correspondent

WINNIPEG. — Negotiations are under way whereby an eastern group will obtain control of Diana Gold Mines, The Post learns. It is understood that details will first be submitted to creditors.

Diana is carrying on at the will of its creditors. Claims outstanding are roughly in the neighborhood of $60,000 and while for the past year or more the mine has operated and produced sufficient gold to pay wages and keep things running there has been little in it for the creditors.

New Vein Reported

Latest word from the property is that on the 750-ft. level a wide vein has been found running better than $10.

Not sufficient work has been done, however, to determine its importance. A 100-ton ball mill is set up and could be placed in operation but creditors have hoped that by operating the stamps, sufficient tonnage could be placed ahead of the mine to allow the ball mill to be cut in without any calls upon them.

They are averse to closing the property, hence the efforts to bring in capital, with which would go the management.

Marbuan Meeting Approve Selling

The proposal by which Buffalo-Ankerite Gold Mines will purchase the plant and property of Marbuan Gold Mines in the Porcupine district received the approval of Marbuan shareholders at a meeting held in Toronto recently.

Details of the proposal have been reviewed from time to time in The Post.

Buffalo - Ankerite already owns 100,000 shares of Marbuan stock, acquired for cash at different periods at prices averaging 54 cents per share. In return for its plant and property, the total number of new Marbuan shares to be issued to the remaining Marbuan stockholders is, accordingly, 123,472 shares. The basis of distribution will be one share of Buffalo for each six Marbuan shares held.

CONIAURUM MINES TO TELL MEETING OF OUTPUT BOOST

Development Cost Responsible For Reduced Profits

The long-expected increase in the production rate at Coniaurum Mines, the Porcupine producer will be announced at the annual meeting, it is indicated by present development work.

Development work during the past year has all been charged to current operations and amounts to some $400,000. This, it is understood has been responsible for the reduced rate of profits reported from time to time.

The fact that the development programme undertaken last year occupied a longer time than expected has delayed the expected announcement regarding increased production capacity.

It is now felt by officials that the development programme has been carried far enough to warrant such an increase. The company is understood to have current assets of over $900,000.

Mining Institute Branch To Honor New Minister

The Montreal branch of the Canadian Institute of Mining and Metallurgy will hold a dinner in honor of Hon. T. A. Crerar on Friday, February 14, at the Windsor Hotel in Montreal.

The dinner was originally scheduled for January 24 but was postponed due to the death of King George V.

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Falconbridge To Raise Mill 25 Per Cent.

Increase to Be Effective at Sudbury and Norway

TONNAGE IS UP

Falconbridge Nickel Mines, in the Sudbury area, by the end of this year will have increased its production 25 per cent over the present output of nickel and copper. This will be the result of a decision of the directors to expand plant facilities, both at Sudbury and at the company's refinery in Norway.

Directors, in deciding to expand operations, were influenced by increased ore reserves, increased market demand, and a desire to increase inventory stocks. The necessary construction work will delay contemplated increase in output until toward the end of 1936.

Tonnage Above 1934

Tonnage treated in 1935 at the Sudbury plant has been, quarterly reports indicate, about ten per cent higher than in 1934. This increase in tonnage plus higher copper prices is expected to be reflected in the company's 1935 per share earnings, when the annual report appears in February.

In 1934 the company earned approximately 43 cents per share as compared with 34 cents per share in 1933.

As a result of sinking the new No. 5 shaft and lateral work on the 500-ft. level an aggregate ore length of 4,500 feet has been opened up, and there is reasonable assurance that the total length will be at least a mile. While less work has been done on the 1,200-ft. level, the only other horizon opened up from the new shaft, it is quite evident that this level is indicating greater length.

Abitibi Canyon power was made available for the No. 5 shaft recently, and with the big new hoist installed, greater progress will be made in opening the eastern section of the property during the coming months. The shaft has a hoisting capacity of 3,000 tons a day of 16 hours.

Profits Should be Up

Falconbridge during the third quarter of 1935 produced 2,850,000 pounds of nickel in matte, so that a 25 per cent increase would give 3,500,000 pounds quarterly or 14 million pounds annually. Copper in matte in the same period totalled 1,336,449 pounds, and a 25 per cent increase would result in an output of 1,670,000 pounds quarterly or 6,680,000 pounds for the year. The step-up in the Norwegian refinery would, of course, give a corresponding increase in refined metals.

Profit of $506,394

Net profits for the third quarter were $506,394, equal to 15.2 cents per share, but as this was an exceptional period it is not thought that the last quarter earnings will be quite as high. Net profits for the year 1935, however, are expected to show approximately 10 per cent gain over those of 1934. Falconbridge last year paid 30 cents per share in dividends.

FAWN MINING CO. TO CENTRE WORK AT SHEEP CREEK

Development Programme Reported Fully Financed

Affairs of Fawn Mining Co., with a gold property adjoining Reno Gold Mines, in the Sheep Creek area of British Columbia, and a silver-lead-zinc property near Revelstoke, B.C., were presented to shareholders at the annual general meeting of the company held in Vancouver recently.

Shareholders were told that the crew on the Sheep Creek property would be augmented and cross-cutting both north and south from the present tunnel to pick up three other veins opened up by four tunnels higher up the mountain side would be started.

The company has recently purchased the necessary additional machinery, and work will be carried out through the winter.

At the Revelstoke property, a considerable amount of work was done during the summer. Officials hope that during 1936 further work will be done.

$485,000 Spent

In addressing shareholders, Dr. Ivan MacKinnon, president pointed out that in the auditor's report it was shown that $485,005 had been spent on the property. Of this amount, $5,500 was spent since the last report, on purchasing additional claims which officials believe to be of value.

Cost of plant and machinery to date has been $28,417, of which $17,786 has been spent during the last year. On development, the sum of $32,834 has been spent.

Claim Finances Obtained

The meeting elected the following board of directors: Dr. Ivan MacKinnon, Hon. S. L. Howe, G. J. Vaux, W. A. Nash, P. R. Perraton, George P. Challenger and Major G. A. E. Bury.

Fawn Mining Co. has an authorized capital of 2,250,000 shares, par value 50 cents, of which 1,392,782 are outstanding. Financing has been done largely in the eastern United States, more particularly in Boston. The company's stock is listed on the Vancouver Stock Exchange.

Officials state that financial arrangements have been made which will cover development programme planned.

Metal Prices

New York—Jan. 27—
Copper: Electrolytic spot and future, $9.25.
Silver: 44¾c.
London—Jan. 27—
(Long Ton)—
Copper: Electrolytic spot, £39 5s; future, £39 10s. Standard spot, £34 17s 6d; future, £35 7s 6d.
Tin: Spot, £201 7s 6d; future, £194 17s 6d.
Lead: Spot, £16 2s 6d; future, £16 5s.
Zinc: Spot, £15 5s; future, £15 7s 6d.
Gold: 140s 9d.
Silver: 20d.
Canada—Jan. 27—
Gold: $35.01.

Silver Prices

Trading in Montreal
Jan. 20 to Jan. 25

	High	Low	Close	Contracts
Jan.	45.25	43.70	44.60	28
Mar.	45.27	43.00	44.50	42
May	44.90	43.10	44.50	25
July	44.75	44.50	44.50	6
Oct.	44.50	....	44.50	1

What's all the fuss about "Academic Freedom"?

"A professor, when talking or writing outside his university, and on occasions and in publications not connected with his work, ought to have exactly the same rights and be under exactly the same limitations as any other citizen."

SAYS STEPHEN LEACOCK

Retired from active teaching after a distinguished academic career, Stephen Leacock has no personal axe to grind when he writes of "Academic Freedom". But he has very definite ideas about what it means, and his ideas are backed by a half century of keen observation. The viewpoint of a distinguished Canadian, forcefully presented.

A pair of born rebels, Lester and Frank Patrick, started breaking the rules and conventions of Hockey thirty years ago—and to-day, they're at the top of the heap. Read the first installment of their amazing story:

"PATRICKS' PROGRESS"

FEB. 1st ISSUE NOW ON SALE

Macleans 5c

All Records Shattered Ontario Gold Production Gain $4.5 Millions 1935

Porcupine Camp Takes Lead Away From Kirkland—New Areas Show Sharp Rise in Volume With Small Mills Swelling Totals

The value of gold produced by Ontario's forty producing mines increased by almost $4.5 millions in 1935, over the 1934 figure the provincial Department of Mines reports.

With a value, at prevailing gold prices of $74,517,019 in 1935, Ontario has set for itself a new record in value for production of the yellow metal. Quantitatively, production at 2,137,488 ounces, compares with a volume of 2,043,522 ounces produced in 1934.

A feature of the year has been the addition of numerous small producers to the ranks. These mills, some of which are 25 to 50 tons only, all aid in swelling the volume.

Porcupine Gets Lead

Kirkland Lake camp, by a nose, loses its place as Canada's greatest gold producing camp, production here having actually declined very slightly. The Porcupine camp, on the other hand, increased its ouput during the year, and now stands, with a 1935 production of $33,317,833, as the leading gold producer, Kirkland Lake's production was valued for the year at $33,010,974.

Apart from the record made by these two western camps, the most encouraging angle of the annual estimate is the fact that the Matachewan and Northwestern Ontario areas showed tremendous strides in production. It will be noted that the Matachewan camp produced gold to the value of $1,489,836 in 1935, as compared with only $606,816 in 1934. Northwestern Ontario's production rose from $3,041,701 in 1934 to $6,698,375 in 1935.

Comparative figures for 1934 and 1935 are given below:

GOLD OUTPUT BY CAMPS

	1934		1935	
	Tons Milled	Value* $	Tons Milled	Value* $
Porcupine Camp:				
First quarter	876,905	7,932,734	922,555	7,530,535
Second quarter	897,563	8,194,800	939,400	8,312,013
Third quarter	964,382	8,313,355	980,350	8,479,897
October	334,643	2,855,756	337,252	2,971,659
November	317,944	2,916,359	325,268	2,801,000
December	308,670	2,821,670	305,700	3,222,729
Total	3,700,107	33,034,674	3,810,525	33,317,833
Kirkland Lake:				
First quarter	479,679	8,344,239	478,229	7,843,745
Second quarter	494,673	8,857,071	494,556	8,271,005
Third quarter	502,386	8,223,258	512,628	8,441,094
October	169,603	2,713,426	174,639	2,876,141
November	161,922	2,482,555	166,299	2,805,696
December	164,057	2,759,306	170,661	2,773,293
Total	1,972,320	33,379,855	1,997,012	33,010,974
Matachewan:				
First quarter	10,610	109,629	66,593	295,824
Second quarter	10,833	112,872	76,854	351,576
Third quarter	11,188	124,361	87,791	401,436
October	17,277	53,954	34,461	163,185
November	18,993	105,991	30,970	145,387
December	21,976	100,009	28,654	132,428
Total	90,877	606,816	325,323	1,489,836
Northwestern Ontario:				
First quarter	133,192	651,399	182,054	1,046,649
Second quarter	142,360	664,585	216,718	1,606,841
Third quarter	164,004	770,050	221,722	1,895,428
October	51,431	254,260	84,875	691,144
November	57,372	296,084	82,748	692,077
December	64,204	405,323	88,599	766,236
Total	612,563	3,041,701	876,716	6,698,375
Total for Ontario:				
First quarter	1,500,386	17,038,001	1,649,431	16,716,753
Second quarter	1,545,429	17,829,328	1,727,528	18,541,435
Third quarter	1,641,960	17,431,024	1,802,491	19,217,855
October	572,954	5,877,396	631,227	6,702,129
November	556,231	5,800,989	605,285	6,444,160
December	558,907	6,086,308	593,614	6,894,686
Grand Total	6,375,867	70,063,046	7,009,576	74,517,019

*In Canadian funds.

VAN NICKEL MINES WILL GET ASSETS DELTA SYNDICATE

Seeks to Straighten Out Tangle at Special Meeting

Three new managers were appointed at a special meeting of the unit holders of Delta Mines Syndicate held in Toronto recently, and plans were made for further development of the Delta property in Drury township, west of Sudbury, near the old Worthington mine of the Mond Nickel Co. The men chosen as managers are William Speers, A. H. Nowers and Dr. Naylor.

The meeting, which was attended by over 150 unit holders, decided to wind up the syndicate's affairs and transfer the assets to a company. Van Nickel Mines. This company has already been formed and has been proceeding for some months with shaft sinking at the property. Through some difficulty, transfer of the property to Delta Metals was never effected and the name of the company was changed to Van Nickel. Further details in connection with the deal will be worked out, including the distribution of shares of Van Nickel to Delta unit holders, and the basis on which the exchange will be made.

Hyett Resigns

Charles G. Hyett, former syndicate manager, resigned at the meeting and offered to donate 50 units and $5,000 which he claimed the syndicate owed him. His offer was not accepted at the meeting.

The situation for some time has been uncertain with internal friction prevailing. Delta Metals was organized December, 1932, to take over the affairs of the syndicate, but was not permitted by the Ontario Securities Commission to sell stock. On January 10, 1935 Delta Metals name was changed by supplementary letters patent to Van Nickel Mines, and although the latter has been carrying on some development work on the property, the company and the syndicate have never effected the formal transfer of the holdings. Last June the company announced it intended to build a refinery in Hamilton for the refining of its ores, but up to now no ore has been developed. C. G. Hyett, of Worthington, is registered as president of Van Nickel and the company is capitalized at 4 million shares of $1 par value.

Sorting the Mines, 16.

An Impartial Analysis of Listed Stocks from A to Z

These little close-ups are aimed at giving Financial Post readers a rapid fire inventory of the market today. In no sense are they to be regarded as exhaustive summaries. Each stock will be dealt with in alphabetical order at the rate of three or four a week as space permits.

This is the sixteenth of the series.

Cork Province Mines

Interest in this stock is at a low ebb, owing to the fact that it has been inactive for many years.

The company's property was formerly a lead-zinc producer of some 478 acres in the Kaslo mining division of British Columbia. Low lead and zinc prices forced suspension of operations in Dec., 1929. In 1931 the concentrator and plant were dismantled and sold. Other machinery is stored.

The latest financial statement seen was at June 30, 1934, at which date current assets were reported at $425, and current liabilities $8,675. The company has preferred and common stock outstanding. Of the $250,000 worth of preferred stock authorized, $241,760 is outstanding. The entire authorized common stock, 3 million shares, par value $0.25 has been issued.

With little known as to ore reserves, if any, and the treasury of the company virtually depleted, it is obvious that much remains to be done if the stock is to have any attraction. Although this stock is still listed, there has been little or no trading so far this year.

Price Range of Stock

	High	Low	Last
1935			
Common	.00½	.00½	.00½
1936			
Common	....	....	....

Cotton Belt Mines

Here is another inactive B. C. property, in which little interest is being displayed by market men. This company owns a silver-lead property in the Kamloops mining division. The company also owns an interest in 12 claims near Edgewood, B.C.; ten claims in Osoyoos division, B.C. and in an oil lease in the Foothills region of Alberta.

There is some slight speculative interest in this company, owing to the silver content of its ore, and the fact that it has interests in several raw prospects. Another reason for the rather slight interest being taken in the stock is the fact that it owns 29,999 shares of Central B. C. Mines Development, a company which owns a placer lease in Beaver Valley, in the Quesnel Mining division.

The fact, however, that the company has issued no recent financial statement, as far as The Post is aware, and has no known source of income detracts from its speculative appeal.

Authorized capitalization amounts to $1,250,000 in $1 par value stock, of which $857,427 is understood to be out.

Price Range of Stock

	High	Low	Last
1935			
Common	.09	.02½	.02½
1936			
Common	.02½	.02½	.02½

Dentonia Mines

Dentonia Mines owns a producing property on Jewel Lake, about eight miles from Greenwood, B.C.

The company was formed with a Dominion charter in Jan., 1931, to rehabilitate the property, a former gold producer. Refinancing in 1933 permitted resumption of operations, and production started in April, 1934. Since that date the property has operated steadily on a 100 ton per day basis. In December, 1935, the company's production grossed $44,800 from which a net of about $30,000 was obtained.

During 1935, the company gradually built up its cash reserve position which should now total about $200,000.

Being a consolidation of several mineralized claims, this property has several ore bodies from which to draw mill feed.

The earnings position undoubtedly will be enhanced when a cyanide unit is added to the mill. At present recovery runs only about 88 or 90 per cent. Officials have stated that when tailings have reached 50,000 tons, such a plant will be added, at which time additional recovery of about $1 per ton should be obtained.

The company has experience on its board of directors, of which Nelson Smith, well-known western mining figure, is president. Of an authorized capitalization of 1,500,000 no par value shares, about 1,443,000 are outstanding.

Price Range of Stock

	High	Low	Last
1935			
Common	.95	.15½	.33½
1936			
Common	.36	.28	.29

Power Propaganda

Interests Inimical to Private Ownership Hurt Public Relations, Says Head of Can. Electrical Association

From Our Own Correspondent

MONTREAL. — Interests inimical to private ownership have been partially successful in destroying the good public relations that should exist between the power companies and the people they are serving, according to R. B. Baxter, in his presidential address at the annual meeting of the Canadian Electrical Association.

In discussing public relations and regulations, Mr. Baxter pointed out that there are two schools of thought in respect to public relations. One school believes that the proper plan to follow is to provide good service and say nothing about it. Others declared the public should be kept continually informed about the service.

Opponents Not Quiet

"From our experience during the past few years," he went on to say, "there is one thing that I do know, and that is that our opponents are not keeping quiet; and with a continuous stream of propaganda going out from various quarters they have been at least partially successful in destroying the good public relations that should exist between the power companies and the people they are serving.

"There is the danger that they will destroy our public relations or try to use for their own purposes works and development that represent years of pioneering, the risking of millions of capital and the combined thought and energy of thousands of men who have been actively engaged in building up the power business in Canada.

Lack of Knowledge

"There is also propaganda spread by advocates of public ownership, who generally use rate comparisons without regard to class or density of population in the territory under discussion, and without taking into consideration the fact that in most cases the publicly owned utility pays no taxes while the privately owned power companies pay upwards of seven millions of dollars in taxes annually to municipal, provincial and federal government.

"Now, added to all this, comes repudiation of contracts by the Hydro-Electric Power Commission of Ontario.

Hydro Made Mistake

"The repudiation of these contracts is now being used in some quarters to damage our public relations. The argument seems to be that the private power companies took advantage of the Hydro-Electric Power Commission when the contracts were made. Such an argument when carefully analysed is obviously ridiculous.

"The Hydro-Electric Power Commission of Ontario has the largest single organization of any power producer in the Dominion of Canada and consequently has a complete organization of engineers and commercial experts who are quite capable of making the necessary studies to determine the power requirements of that system.

"A Way Out" of Difficulty

"A careful study of future power requirements must have been made by that organization before these contract were entered into. The facts really are that the contracts were made between the years 1926 and 1931, following which there was a complete reversal of conditions and the hydro, along with all other business in the country experienced a set-back due to the world depression. They did not have the expected increase in load and chose to repudiate contracts as a way out of that difficulty."

HOLLINGER SHAFT AT HORWOOD LAKE IS DOWN 240 FEET

Lateral Work Should be Under Way by Summer

From Our Own Correspondent

SUDBURY. — Rapid progress is being made by Hollinger Consolidated Gold Mines in sinking the shaft on the company's optioned Horwood Lake property, work on which started last October. The ground is that known as the W. E. Smith group and the G. A. Thorne group, comprising about 50 claims located in unsurveyed territory south of the township of Keith.

Advices are to the effect that the two-compartment shaft has reached a depth of 240 ft., and that a station has been cut at the 200-ft. level. The shaft is going down at an angle of 45 degrees. It is the intention to open up four levels in all, at 200 ft., 325 ft., 450 ft. and 575 ft. At the present rate of progress lateral work should be under way by late spring or early summer.

Drilling Through Lake

Hollinger has installed an up-to-date mining plant, and has constructed comfortable new camps to accommodate the crew of about 40.

While shaft sinking is proceeding, two diamond drills are at work on the ice of Horwood Lake. The property is reached by a 17-mile winter road from Tionaga, on the Canadian National Railway. Telephone connection has also been made with the property.

In the early months of last year Smith and Thorne, owners of the properties, did considerable diamond drilling with encouraging results. It is apparent that Hollinger was satisfied that the assays received from the work justified the expenditure of a moderate amount of money, as evidenced from the underground attack now being made. The objective of the present shaft is 600 ft.

Canadian Asbestos

Manufacturers of asbestos products in Canada were valued at $910,982 in 1934 compared with $757,626 in 1933.

Mining Concerns Newly Formed

B. C. Gold Dredgers—B. C. incorp. Dec. 27, 1935. H.O. Room 414, Crown Bldg., 615 Pender St. W., Vancouver, B.C. Author. Cap. $100,000 in 100,000 shares of $1 each.

* * *

Creston Hill Mining Co.—Incorp. in the State of Washington, U.S.A. was registered as an extra-provincial company in B. C. Jan. 2, 1936. H.O. 403 Realty Bldg., Spokane, Washington. H. O. Kitchener, B.C.

* * *

Goldfield Mines—Alberta incorp., Dec. 14, 1935. H. O. Edmonton, Alta. Author. Cap. 20,000 no par value.

* * *

Gold Mining Claims—Quebec incorp., Dec. 17, 1935. H. O. Montreal, Que. Author. Capit., 420,000 par value $20.

* * *

Kisameet Industries—B.C. Incorp., Jan. 7, 1936 H. O. 809 Stock Exchange Bldg., 475 Howe St., Vancouver, B.C. Author. cap. $25,000 par $1.

* * *

Kootenay-Salmon Placers — B.C. Incorp. Dec. 30, 1935. H. O. Marlatt Bldg., Bay Ave., Trail, B.C. Author. Cap. $30,000, 60,000 shares 50 cents each.

* * *

Pine Grove Placers—B. C. incorp., Dec. 24, 1935, H. O. Suite 1012, Royal Bank Building, 675 Hastings St. W., Vancouver, B.C. Author. Cap. $250,000 divided into 250,000 shares of $1 each.

* * *

Charter Surrendered

Aconda Mines — Notice given at Ottawa Jan. 9, 1936, that surrender of charter will be made.

* * *

Capital Increased

Hudson-Patricia Gold Mines—Supplementary letters patent issued Jan 7, 1936, increasing the capital of the company from $2,500,000 to $3,500,000 by the creation of an additional one million shares of the par value of $1 each.

RED LAKE GOLD TO DISCUSS MILL

Work on 300-ft. Level Shows Ore Beyond Former Footwall

Development on the 300-ft. level at Red Lake Gold Shore Mines has shown ore beyond the limit of what had been primarily thought to be the footwall, W. P. Mackle, engineer in charge, reports to directors. Widths of 18 ft. have been opened up in this section with the value being maintained at average grade for this level.

Evidences of a new vein running at right angles to the main vein have also been disclosed, but sufficient work has not been done to prove that it is a new vein. Shaft sinking has been resumed with the 550-ft. level as the objective.

The company announces that on all options up to and including June 15, 1936, payments have been taken up.

Encouraged by a report from the federal Department of Mines on the processing of the ore from this property, officials have called a meeting of the board to make the final decision on the erection of a mill. The Department of Mines reports that the ore responds readily to cyanidation and that this is the process recommended.

McWatters Gold Mines—gross recovery for the last quarter of 1935 at the company's Rouyn property totalled $138,730, according to W. J. Hosking, mine manager.

Costs in the last quarter amounted to $7 per ton, compared with between $7.25 and $7.50 per ton in the previous quarter. The mill is currently handling about 90 tons of ore per day.

Mining Enquiries

Wingold Mines

As a subscriber we will be glad to receive your comments on the present situation of Wingold Mines.

Wingold has been developing a property in the Rice Lake district of Manitoba adjoining San Antonio. The company has some good men on its Board of Directors, and development has been carried out in a business-like manner. The company was hampered, however, by lack of finances and generally difficult market conditions forced suspension of operations last August. Since that time we have not heard that the company has been successful in raising funds, although the properties are being held intact. At the time that operations were suspended, there was still left in the treasury about 1.2 million shares as a potential aid to future financing. Official reports, however, indicated that further work is justified, and officials remain hopeful of raising the necessary cash. Wingold is capitalized at three million shares no par value.

Dorval Siscoe

I hold some Dorval Siscoe stock. Would you advise me of any recent developments at the property? I don't very often buy syndicate units, but took a chance on this one.

From your letter we judge that you still hold units in Dorval-Siscoe Gold Syndicate. In May, 1933, the Syndicate was succeeded by Dorval-Siscoe Gold Mines and received for its property 1.5 million shares in the latter company. This stock was to have been distributed among unit holders on the basis of 200 shares for each unit held. Distribution of this stock has been held up until the company's treasury is financed. In the meantime, all operations are suspended at the property, and an effort is being made to raise money. The property remains a prospect.

Chromium Mining & Smelting Co.

I would appreciate as full a report as possible on Chromium Mining & Smelting Co. What are the prospects for this company? What is its history?

Chromium Mining and Smelting Co. acquired, in 1934, all the assets of Chromium Alloy Co. The company's property is located in the Oboigan Lake area, 25 miles south of Collins, Ontario, on the main line of the C.N.R. While the promotional angle of the former company was not considered satisfactory to shareholders, the new concern, Chromium Mining and Smelting Co. has handled its affairs in a business-like manner and has rapidly developed the property. Government engineers have supported the view that there are undoubtedly large deposits of chromite on the property.

As you will notice in The Financial Post of Jan. 25, N. H. Timmins Inc., is now supplying the company with funds necessary to build a 100-ton mill and to add two furnaces to the company's smelter at Sault Ste. Marie. The Timmins backing undoubtedly enhances the outlook for this company.

Probably one of the biggest problems which this concern, a pioneer in Canada, will have to face will be the matter of marketing. However, officials believe they have a ready market, and the fact that alloys are finding increasing favor with industrialists tends to substantiate this claim.

The company has an authorized capitalization of 3,000,000 shares no par value of which, we understand, about 1.5 million are outstanding. The company has issued no financial statement, to our knowledge.

Smelters & Buena Vista

What is the connection between Consolidated Mining & Smelting Co. and Big Missouri Mines Corp.? How large is Smelters' interest in this concern?

Consolidated Mining and Smelting Co. has no direct interest in Big Missouri Mines Corp. However, Consolidated Smelters does own 300,000 shares in Buena Vista Mining Co., the remaining 200,000 shares being held by Big Missouri Corp. Thus both Smelters and Big Missouri are interested in the development of Buena Vista.

Buena Vista is being prepared for milling on a large scale. The initial capacity of this mill will probably be 1,500 tons per day. This operation is a low-grade venture, average ore being, it is understood, about $5.60 gross. However, with the large-scale tonnage plan, it is expected that costs may be brought down to $2 per ton or less. It is expected that a definite start on mill construction will be made early in the summer of 1936. In view of the background which this property enjoys, it is generally considered an outstanding prospect.

Canadian Pandora

Would you please give me a report on the present condition and prospects of Canadian Pandora?

Canadian Pandora Gold Mines owns property in the northeastern part of Cadillac Township in Quebec. As you are probably aware, the progress of this company has been hampered in a large degree in the past by internal disputes. However, the company at the present time seems to have ironed out these difficulties and is prepared to make a united assault on this property. Development work is being held up, however, pending the raising of sufficient funds to carry out a worth while programme. At the present time we understand that negotiations are under way whereby this enterprise will be financed.

The company has some well-known mining men on its board of directors, Douglas Mutch being vice-president. Until this programme has obtained some tangible results, however, the property must remain entirely a prospect but one which appears to warrant further work.

Sudbury Basin Mines

We should be pleased to receive a report on Sudbury Basin Mines showing capital structure and earnings record.

Your "Investor's Service" is greatly appreciated.

Sudbury Basin Mines now operates as a holding, exploration and development company with interests in a number of mining enterprises principally in the Lindsley enterprises.

The earning record of Sudbury Basin Mines provides an example of why so many investors consider such an operation unsatisfactory. Despite the fact that Sudbury Basin has holdings in several producing mines, the fact that such a large percentage of its income is used for exploring properties which can never give a return hampers dividends. A small dividend, however, is expected from Sudbury Basin this year.

One of the chief interests which Sudbury Basin has is its 1,209,200 share in Falconbridge Nickel Mines, the Sudbury dividend payer. The company also owns 60,000 shares in Beattie, 6,160 shares of Little Long Lac Gold Mines, 54,137 shares in Sullivan Consolidated Mines, in addition to holdings in many other companies such as Beaufort Gold Mines, British Matachewan Gold Mines, Canadian Malartic Gold Mines, Sherritt-Gordon Mines, and many others.

Despite the fact that many of these holdings represent an interest in promising properties and actual producers, the company's working capital position has declined from a surplus of $85,318 as at December 31, 1933, to a deficit of $72,795 as at December 31, 1934. On December 31, 1933, the balance sheet of the company showed cash on hand at $92,834. By December 31, 1934, however, the company had expended all this cash and had no cash on hand, whereas current liabilities had increased from approximately $8,000 to $78,000. Sudbury Basin has an authorized capitalization of 2,000,000 shares no par value of which, at December 31, 1934, 1,689,505 shares were outstanding.

Perron Gold Mines

I would appreciate it if you would let me have a report on Perron Gold Mines, stating when the mine will come into production, and your opinion as to future prospects, and whether or not you would consider it an attractive stock to buy at the present market price.

Present indications are that by the time you receive this letter Perron Gold Mines will have started production with its new 100-ton cyanide mill on its gold property in Pascalis and Senneville Township, Quebec. You are probably aware that for some time the company has been operating a pilot mill, treating 20 tons of ore per day. Development work has been very successful, and it is generally believed that capacity will have to be doubled soon after the first unit goes into operation. This first unit comprises crusher equipment capable of handling the increased capacity.

Fiscally and mine-wise, affairs of this company have been handled in a business-like manner, finances being obtained through an underwriting with Nesbitt, Thomson & Company. The company has an authorized capitalization of only $2 millions in $1 par value stock, of which $1,566,984 are outstanding. The balance sheet as at December 31, 1934, the latest available, shows current assets of $140,840 as opposed to current liabilities of $16,221, leaving a working capital at that time of $124,619.

Steele Succeeds Massie As Head of Asbestos Corp.

From Our Own Correspondent

MONTREAL.—Directors of Asbestos Corp. Ltd. have elected Robert W. Steele to the presidency, succeeding the late Col. Robert F. Massey in that position.

Mr. Steele, who will retire as vice-president of Dominion Securities Corp. in order to devote all his time to the affairs of Asbestos Corp., has been on the directorate of the latter company for some years.

Mr. Steele numbers among his directorate the following companies: Brompton Pulp and Paper, Bathurst Power and Paper, St. Lawrence Paper Mills, Canadian Collieries and Valleyfield Silk Mills.

$100,000 Abattoir

The Union Packing Company of Vancouver is constructing a new $100,000 abattoir and packing house in Vancouver.

Lebel Oro Buys Plant Of Silverado Gowganda

Lebel Oro Mines, which has been centring activity at its Long Lake property, has purchased the plant and equipment formerly owned by Silverado Gowganda Mines Ltd. for 300,000 shares of Lebel stock, The Post learns. Silverado Gowganda Mines is an inactive property near Elk Lake, Ont.

In addition to the stock issued for this equipment, Lebel Oro has sold 250,000 shares at five cents per share, and 100,000 shares at seven cents per share, part of an option on the treasury shares granted Jan. 4 last. The balance of this option is as follows: 33,334 shares at nine cents per share to April 15, 1936; 66,666 shares at nine cents to May 15; 15,001 shares at 10 cents to May 15; 75,000 shares at 10 cents to June 15; 9,999 shares at 10 cents to July 15; 54,168 shares at 12 cents to July 15, and 45,832 shares at 12 cents per share to August 15, 1936.

The company informs the Toronto Stock Exchange that it has granted an additional option upon 100,000 shares at 12 cents, 100,000 shares at 14 cents, and 400,000 shares at 15 cents in each instance to December 15, 1936.

ORDER EQUIPMENT FOR 35 TON MILL AT GOMAK MINES

Property Being Operated By Porcupine Crown Mines

From Our Own Correspondent

SUDBURY.—From officials of the company in Sudbury on business this week, it is learned that foundations are ready, framework is going up, and large timbers are ready for the new 35-ton mill which is to be erected on the property of Gomak Mines in Chester township, Three Duck Lake area, northwest of Sudbury. The mill equipment, it is stated, has been purchased and paid for, and is expected to be delivered to the mine from Gogama over the winter road within the next few days.

It is expected to provide millfeed from the No. 1 vein ore body which was at first explored by a series of trenches and test pits, and several hundred ft. of diamond drilling. On the completion of this work, an inclined shaft was sunk on the vein at an angle of 65 degrees to the north, and a first level established at a depth of 75 ft. Lateral development is being carried on at this horizon. From the surface to the first level the shaft followed the ore and free gold could be seen on both walls at nearly every point throughout its depth.

Trenching and test-pitting have been done also on Nos. 2 and 3 veins and free gold observed in several places.

The Gomak is being operated by Porcupine Crown Mines. Russell D. Jones is general manager and J. C. Mahon, assistant manager and engineer.

Board Approves Plan Abandon C.P.R. Que. Line

From Our Own Correspondent

MONTREAL.—By a majority decision the Board of Railway Commissioners has approved the application of the Canadian Pacific Railway for leave to abandon that portion of its Orford subdivision between Mile 95 and Mile 16 near the Quebec-Vermont international boundary. The ruling is to become effective 90 days from the date of the issue of the order.

Remainder of the line between Mile 16 and Eastman, P.Q., is to be "maintained in serviceable condition to take care of car loading as and when required."

Municipal Finances

Ottawa relief costs in 1935 to be funded amount to $648,231. Total cost of relief was $2.4 millions, of which the city's share was $820,639. This is $178,231 in excess of the estimate for the year. Only $172,408 was provided for relief expenditure in the budget.

* * *

Winnipeg city council has authorized the installation of a third 12,500 h.p. unit at the city's hydro plant at Slave Falls. The offer of Winnipeg Electric Co. to sell power to the city as an alternative has been rejected. Total cost is estimated at $500,000.

* * *

Victoria will retire sinking fund debentures totalling $256,215 in 1936. Retirement of $342,487 in 1935 effected a reduction of $22,754 in sinking fund and interest charges for 1936. Serial debentures of $236,601 maturing in 1936 will have to be refunded.

* * *

Welland improved its financial position in 1935. With tax collections up, the city reports a surplus of $7,348 as compared with a deficit of $8,416 in 1934. Collections of 1935 taxes amounted to 76.5 per cent of the levy. Net debenture debt was reduced during the year by $68,275 to $1,563,493.

* * *

London tax arrears continue to mount, totalling $1.2 millions at the end of 1935. This is an increase of $480,000 since 1931 and is equivalent to $16.52 per capita.

* * *

Cornwallis, Man., has reduced its assessment for 1936 by $300,000, but at the same time it increased its tax rate by three mills. The 1936 rate is 20 mills.

* * *

Brandon, Man., expended $242,512 on relief administration in 1935. Of this amount, the provincial government contributed $100,151.

* * *

Toronto taxpayers are taking advantage of the prepayment plan to a greater extent than in previous years. Up to Jan. 21, purchases of prepayment coupons totalled over $5 millions. Prepayments in January and February of last year amounted to $4.4 millions.

* * *

Oshawa, Ont., reports that the total cost of direct relief in 1935, not including administrative costs, amounted to $305,699.

* * *

Stratford, Ont., had a deficit of $79,573 in 1935. This includes $50,000 of relief expenditures to be funded. As yet these debentures have not been issued and for this reason the $50,000 is shown as a deficit, along with an additional overdraft of $29,572.

New Books

INTERNATIONAL TRADE STATISTICS, 1934, published by the Economic Intelligence Service, League of Nations, Geneva, bilingual, in English and French: 364 pages, price $2.50.

Another valuable tool for the job of measuring world business and trade is this new study of international trade statistics published by the League. This special study covers the years 1932-34 and contains statistics on 65 countries, contains more than 300 tables, many of which are accompanied by explanatory notes. The data illustrate strikingly the great changes undergone in recent years in the composition and direction of foreign trade and their effect on the position of individual countries.

Four pages are devoted to Canada's trade, two of the most interesting being tables analyzing the 35 or 40 leading imports and exports of this country, with figures showing the percentage which these individual items of trade bore to our entire trade in the three years under review. Thus, we see at a glance that in 1932 wheat exports comprised 26 per cent of our total trade, and by 1934 this figure had dropped to 20 per cent. Similarly, exports of printing paper (newsprint), which comprised 16.8 per cent of our total trade in 1932, had shrunk to 12.6 per cent in 1934. Similar totals and percentage figures are shown to analyze our trade among leading countries.

THE CANADIAN ALMANAC, 1936. Published by The Copp Clark Co., Ltd., Toronto. Price $6.

The eighty-ninth edition of The Canadian Almanac, a standard work of complete reference for business, legal, and newspaper purposes, has appeared.

The new edition includes the names of the new members of the Dominion House of Commons, data relating to the new Social Credit government in Alberta, and new members of the other provincial governments in New Brunswick, Prince Edward Island and Quebec. Changes due to the British elections are also shown in connection with information regarding the British government.

There is a summary of the Canadian customs and excise tariffs, including the reduced duties on imports from the United States as a result of the U.S. Trade Agreement.

As for many years, the almanac is edited by Horace C. Corner with painstaking care.

The map which is included in this year's almanac is a map of the world on Mercator's projection.

It is superfluous to recommend the purchase of the Canadian Almanac. In 89 years it has so established its reputation that it is a necessity for many purposes. The business man will again find it useful as a reference for initials, titles and scores of other facts and figures.

BALANCES OF PAYMENTS, 1934. Published by League of Nations, Geneva, 198 pages. Price $1.50.

This annual tabulation, containing all information on the subject published during 1935, brings up to date a study first undertaken in 1929 by the Economic Intelligence Service of the League.

In this volume, statements of the balance of international payments for 35 countries are reproduced. Some of these appear for the first time — namely, statements for the Philippines, Haiti and Manchuria, and a collection of data concerning Switzerland. For most countries estimates are now possible going back four or five years, thus making the reports of very considerable value.

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Appraising of Common Stocks Takes More Than Statistics

Rule of Thumb Methods Hardly Adequate to Measure the Past—Foreseeing the Future Even More Uncertain

By JOHNSTON GILROY

Once there was a theory that a common stock should sell at ten times earnings per share.

So rarely nowadays does a stock sell on this basis that such an occurrence is viewed with suspicion.

Another good, old-fashioned way of measuring what the price of a common stock should be is to multiply the dividend rate by 20 and compare it with the market price. One trouble with this rule-of-thumb is that it is of no use to appraise a common stock that pays no dividend.

Asset Values

Stockbrokers have a way of pointing to the assets behind a stock as indicative of real value. Brokers used to say, for instance, that Hiram Walker-Gooderham and Worts common was too low at $6 a share because the liquid assets were worth more than that. They were right; but the immediate reason for the rise of Walkers 2½ years ago was the death of "prohibition" in the U. S. A.

In the case of National Sewer Pipe class A stock, it is sometimes claimed that the net working capital of over $33 a share is an indication of the cheapness of the stock at the market quotation of less than $20 a share.

Faults in Statistics

Statistical valuations of common shares leaves out of consideration peculiar circumstances that affect the individual company. Also, they do not take into account conditions and outlook in the industry in which an individual company operates. Finally, statistics on an individual company omit consideration of national and international economic conditions which can affect the value of nearly all common shares.

Normally, a company official would be expected to have the best chance of correctly appraising the shares of his own company. Often this is the case. At times, however, the corporation executive may make just as serious a mistake of judgment as the smallest investor.

In 1929, for instance, there were many captains of industry who lost heavily in their own securities; not because they erred in judging their own business, but because financial influences were at work to depreciate nearly all corporation securities.

Valuation Formula

One recent formula for determining basic values under U.S. common stock prices takes into consideration:

Marketability, as measured by volume of trading in the shares.

Equity per share.

Net working capital per share.

Latest reported earnings per share.

Dividends actually paid per share.

The idea was to try to find out what value the stock market put upon basic influences on prices of common shares.

It was found that the stock market placed the highest valuation on dividends, but that earnings were also a major influence on the price of stocks. Net working capital and net equity per share had a much smaller influence on prices. Marketability weighed rather heavily in the value of stocks.

Application to Canada

The formula is based on the "mean" price of shares in 1933. The "mean" price is the halfway point between the highest price and the lowest price for the year.

It is not possible to use all the details of the formula for Canadian securities, because available information is not exactly the same as that used in the United States. However, a part of the formula can be used, as follows:

⅛ of the equity per share.

1/5 of working capital per share.

3 times latest share earnings.

8.4 times latest year's dividends per share.

Using this calculation, the following results are obtained for 20 of the more popular listed Canadian common shares:

Twenty Common Stocks

Stock:	Mean of '35 high and low $	Calculated mean $	Error minus %
Bell 'Phone	134	82.35	38.5
B. A. Oil	14⅞	11.10	25.4
C. P. R.	11⅜	6.08	46.6
Con. B'keries	14⅜	10.13	29.6
Distillers-S.	25	18.85	24.6
Dom. Bridge	29½	18.71	36.6
Dom. Stores	9½	3.74	60.6
F. Farmer	11¼	8.21	27.0
Imperial Oil	18¾	11.99	36.1
Imp. Tobacco	13⅛	7.19	45.7
Int. Nickel	35¼	12.97	63.2
Loblaw, A	18¼	14.32	21.9
Massey-Harris	5⅝	5.40	.2
Mtl. Power	31¾	21.54	32.2
McColl-Front.	13¾	12.34	12.4
Nat'l. Brew's.	35½	22.38	34.4
Page-Hersey	81½	47.35	41.9
Shawinigan	18½	12.14	46.6
Steel of Can.	51¼	38.94	24.0
Walker's	29	18.41	36.5
Average	30.10	19.73	36.1

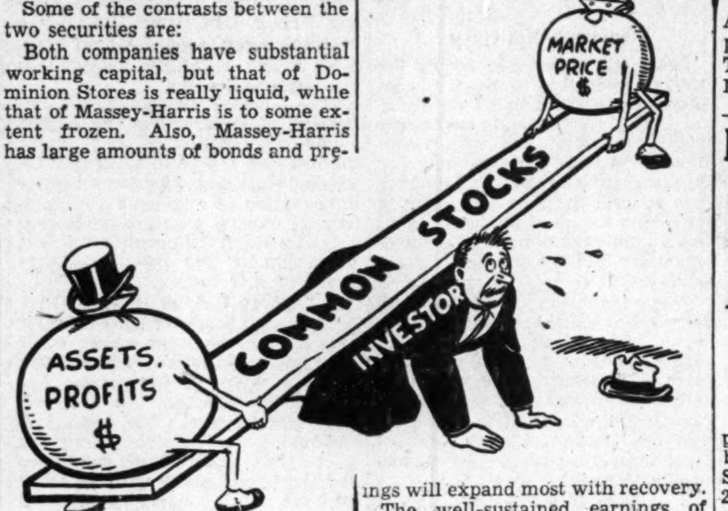
Clearly, this way of calculating does not accurately measure the past. The error is so great and varies so much for individual stocks, that almost the only safe thing to say about this valuation basis is that if a stock does not sell at or above the calculated "mean" price, there is something wrong with it; or else the market may be undervaluing the stock.

Errors Exemplified

For Dominion Stores, for instance, the calculated "mean" is less than the lowest price recorded in 1935; even after adding 50 per cent to the valuation to allow for omission of the marketability factor. In contrast, the calculated figure for Massey-Harris is very close to the actual "mean" price in 1935.

Some of the contrasts between the two securities are:

Both companies have substantial working capital, but that of Dominion Stores is really liquid, while that of Massey-Harris is to some extent frozen. Also, Massey-Harris has large amounts of bonds and preferred shares on which payments are in arrears, while Dominion Stores has no senior securities. Neither company earned anything in 1935, but the business of Dominion Stores can be considered more stable than that of Massey-Harris; and would be quicker to yield common dividends.



The differing circumstances in the two situations indicate that the statistical calculations may be misleading and illustrate that any formula for calculating share prices has grave drawbacks.

Serious Omissions

Apart even from intangible influences, formulae for calculating prices of common shares leave out of consideration such important factors as these:

1. Changes in the level of interest rates and dividend yields.

Yields on the highest quality Canadian securities have dropped about 25 per cent since 1933. This alone is sufficient to warrant a general rise in value of common stocks.

2. The current phase of business depression or recovery.

The extent to which expectation of further recovery has influenced stock prices cannot be proved. Nevertheless, it must have had some bearing on market psychology and price movements.

3. Differences of industries.

Changes in the general level of business are likely to produce different effects on contrasting industries.

Table and Topcoat

Most people continue to eat three meals a day, even in the worst of times. However, when money is scarce, overcoats are worn for a greater length of time. Hence, as prosperity develops, the sales volume of a food company may not increase as much as the sales of a clothing firm.

Generally speaking, the more durable the product, the longer it is made to do service in times of depression. The result is that certain industries are subject to much greater fluctuations in volume and in earnings than others.

Those that suffer the greatest contraction of earnings in depression are the producers of durable goods, such as houses, factories, steel, and so on.

In valuing stocks of companies of this kind, it does not seem reasonable to apply the same measuring rod as to shares of companies in the more stable industries, such as food, tobacco and beverages.

Recovery Reversal

The very companies whose earnings have been most stable in times of depression may often be least likely to get the maximum benefits from recovery.

Or, another way, the companies that suffered most severely from decreased earnings in the depression may be the very ones whose earnings will expand most with recovery.

The well-sustained earnings of companies whose products enjoy a stable demand have resulted in comparatively high market valuations. On the other hand, the greater depression of earnings in durable goods industries leaves shares of this sort modestly valued in comparison with peak earnings of the past.

Measure of the Past

Present market prices, in proportion to peak earnings, for three contrasting groups of companies are as follows:

"TIMES EARNINGS" LEVELS OF STOCKS

	Price	Times Peak Earnings
1. Firms Producing Consumption Goods		
Laura Secord	66	9.2
Imperial Tobacco	14	17.5
National Breweries	40	16.4
British American Oil	21	20.0
Average		15.8
2. Firms With Semi-durable Products		
Ford of Canada	25	7.9
Steel Co. of Canada	60	8.9
Building Products	36	10.6
Gen. Steel Wares	5½	4.6
Average		8.0
3. Firms Producing Durable Goods		
Dominion Bridge	35	6.4
National Steel Car	16	1.8
Int. Metal Industries	7¼	1.5
Hamilton Bridge	5½	1.4
Average		2.8

The tabulation indicates that prices for stocks under present business conditions differ widely in relation to their peak earnings. The variation to a large extent depends on the nature of the industry as well as on the company.

If Recovery Expands

If a full recovery to "boom times" develops, it appears that there is greatest room for improvement of earnings, and consequently for appreciation in value of securities, for companies in durable goods industries. It might take several years, however, for this possibility to become a reality.

Even if it were possible to appraise common share values on the basis of statistical information, the valuation would have to be based on the immediate past. And the figures would be distorted at present by the fact that the records are those of a depression period.

Looking to the Future

What the investor really requires to invest successfully in common shares is some appraisal of the future. There is no crystal in which the future can be read accurately. However, the investor who keeps himself well informed on economic and financial trends has a better chance of getting some light on what will happen than the man who works on hunches.

It was possible nearly five months ago, for instance, to foresee improvement in the flour milling industry. It has come, and one consequence has been a rise in the milling shares. Things are not always as clear as that, however, and it will be many months before the effects of a transformation in the milling trade may be reflected in dividend policies.

Investment Opinion

Investment opinion, and the policies of investment trusts, are at present directed toward increasing holdings in shares of companies dependent on the building industry. Yet, measured by statistical yardsticks, many building shares appear overvalued. The yardsticks may be wrong.

For the investor who is prepared to take risks, and is looking for long-term capital appreciation, some securities that are now earning nothing may show the greatest increases in profits. Consequently they may hold the best prospects of appreciation.

For the comparatively conservative share-buyer, stocks that have proved their ability to return from three to five per cent under depression conditions hold the chief attractions. Even though such stocks may not be inclined to rise as much as more depressed issues, the stable earners still hold prospects of increased profits and dividends.

Winnipeg Agency

IAN B. CROLL

Appointed general agent at Winnipeg for Monarch Life Assurance Co. The new agency will be known as Ian B. Croll Agency.

EASTERN CANADA STEAMSHIPS SEEKS DEFER OBLIGATION

Ask Bondholders to Permit Passing of Sinking Fund Until 1940

From Our Own Correspondent

MONTREAL.—Holders of the 6 per cent first mortgage sinking fund bonds of Eastern Canada Coastal Steamships will meet on February 24 next to consider a resolution calling for the waiving of default in payment of the sinking fund on November 15, 1935, and so that no payment by the company for the purposes of sinking fund shall be made from 1937 to 1939. In other words, the next payment of the sinking fund will be postponed to November 15, 1940.

Eastern Canada Coastal Steamships was incorporated in New Brunswick in 1929. It operates a number of coastal freight and passenger steamship lines between Nova Scotia and New Brunswick ports. The company represents a consolidation of twelve operating units, all of which have been absorbed.

Sold Bonds to Public

Upon incorporation, the company carried out public financing through an offering of 6 per cent first mortgage sinking fund bonds. At the end of February, 1932, there were outstanding $538,000 of these first mortgage bonds.

Winnipeg Civic Authorities To Build Slave Falls Unit

Council Awards Contract for Generator and Turbine—Winnipeg Electric Offer Rejected—New Plant Will Cost Half a Million Dollars

Winnipeg's city council has authorized installation of a third 12,500 h.p. unit at the city hydro plant at Slave Falls. The project will cost the city half a million dollars, including generator to be installed by the Swedish General Electric Co. for $131,100 and turbine and parts to be supplied by Dominion Engineering Co. for $83,875.

The concrete and electrical work will be done by the city itself.

Winnipeg Electric Co., recently reorganized, has more than 100,000 h.p. of installed capacity lying idle. Already keen competition with the municipal plant has driven rates in Winnipeg to a low level. The Board of Trade urged the city council to negotiate further with the company to prevent wasteful competition. It believed that an agreement could be made which would be mutually beneficial to city hydro, Winnipeg Electric Co., and citizens.

Edward Anderson, K.C., president of Winnipeg Electric Co. says that, if this suggestion had been acted on, the company would have gone a long way to meet the city's views.

Made Three Offers

The company made three offers. The first was at $16 a horsepower, the second at $14 for firm power and $4 a horsepower for secondary power.

The third offer was to let the city have the same amount of power the proposed unit could deliver to the city at $41,700, the total of fixed charges and operating cost of the third unit as estimated by Mayor Queen and the engineer. The company, however, expressed the opinion that the city will find the annual charges 20 per cent higher when the unit is operating at full load.

J. W. Sanger, chief engineer of city hydro, told the aldermen that the offer should be refused. The provision for a 12 months notice to terminate contract was not enough. It would take longer than that for the city to construct a new unit it was said. It would also be necessary to divide the Scotland Avenue station into two parts, and spend $40,000 on new transformer equipment to carry the two types of electrical loads, one from the hydro and one from the company. Winnipeg Electric power had lower voltage strength.

Mayor Queen added that, if power were taken from the company, a minimum of 17,500 h.p. would be needed to serve one whole district and to isolate it entirely from the Hydro distribution system. If less were taken, the transformer expense mentioned by the engineer would be needed.

Has Unbalanced Load

President Anderson, however, claims that the company was willing to co-operate at all times. The city council, or important parts of it, had shown no real desire to negotiate. The engineers of the company had been willing to meet the engineers of the city hydro at any time. The objections raised by the mayor were such that they could have been met by the company, though their validity was not admitted. The city was arranging for a 12,500-h.p. unit which would only give 10,000 h.p. after transmission losses but it asked the company to quote on a block of power twice that amount.

He ventured the prediction that most of the power from the third unit would be sold as secondary power for some time.

Unbalanced Load

"The city at the present time," said Mr. Anderson, "has a very unbalanced load. The average price of power from all the city's plants at the present time, delivered to its customers in Winnipeg, is $20 a horsepower and they are selling a large part of their output at $4. That situation would, in our opinion, be aggravated by putting in the additional unit."

Mr. Anderson believes that the company's offer to supply whatever secondary power the city would need for an indefinite period would allow the city to convert its present low price from sales of secondary power to profitable firm power loads as increased demand arose. The offer of 10,000 h.p. at $14 had no minimum guarantee and the city would pay only for such firm power as it used.

City Hydro Engineer Sanger said that on Sept. 1, 1937, the hydro load in the city would be 108,000 h.p. and that it would need 121,000 h.p. peak capacity between its Pointe du Bois and Slave Falls plants to allow for a loss of 12,800 h.p., in transmitting to the city.

An additional safety factor of 15,000 h.p. would give it 100,000 h.p. at Pointe du Bois and 36,000 h.p. at Slave Falls. If business continued to improve, the city might have to build several additional units.

R. C. Corp'n of Saint John Bonds Offered by Bell Co.

From Our Own Correspondent

MONTREAL.—T. M. Bell & Co., Saint John, is making a public offering of Corporation of the Roman Catholic Bishop of Saint John, N.B., 4 per cent bonds, dated February 15, 1936, and maturing on the same date in 1951, at par and accrued interest.

These bonds are a first mortgage on the Mountain Road school in Moncton and are a first obligation of the Corporation of the Roman Catholic Bishop of Saint John.

An annual sinking fund of 3 per cent of the total issue will be set up by the corporation for the retirement of the bonds.

It is expected that at the next session of the provincial legislature this issue will be made a legal investment for a trust fund in New Brunswick.

Water Storage Tank

Vulcan Iron Works has been awarded the contract to build the 20,000 gallon tank for the new water system in Clear Lake National Park. Piping and fittings will be supplied by the Power and Mine Supply Co., Winnipeg.

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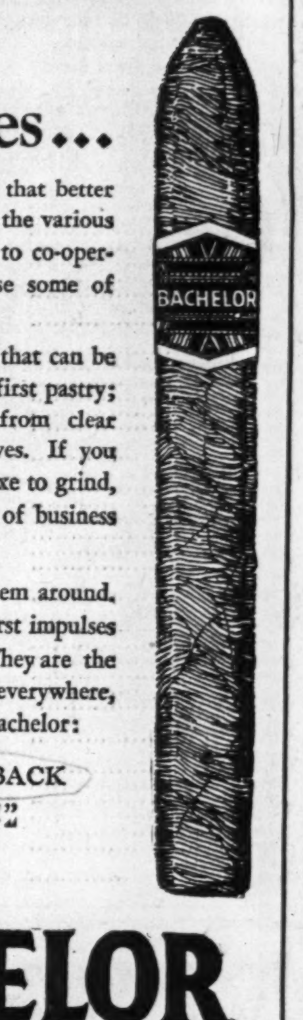

Better Times...

An eminent economist has said that better times will only be assured when the various industries of the country learn to co-operate with each other. Of course some of them do now.

But co-operation is not a thing that can be forced on a man like a bride's first pastry; it must come spontaneously from clear thinking, good-natured executives. If you wouldn't go thinking I had an axe to grind, I'd say the cigar smoking type of business man.

Fortunately there are lots of them around. Many of them are feeling the first impulses of rising prosperity right now. They are the men who, in offices and clubs everywhere, are saying, as they light up a Bachelor:

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RAW MATERIALS

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are meeting with constantly increasing demand on the part of the tanning and leather goods industries and are widely used for glove making. To tanners, also, her

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represent an invaluable tanning medium, both effective and economical. Added to her great wealth of precious metals and gems, South Africa also possesses enormous deposits of

BASE MINERALS

including Iron Ore, Chrome Ore, Manganese, Asbestos (Blue and other), Coal, Corundum, Fluorspar, Iron Pyrites, Kaolin, Magnesite, Mica, Ochres, Talc, Copper and Gypsum.

Inquiries are invited by the Trade Commissioner for the Union of South Africa, 214 St. James Street West, Montreal, P.Q.

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